

CANADA

HOUSE OF COMMONS DEBATES

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HOUSE OF COMMONS

Monday, March 22, 1971

The House met at 2 p.m.

[*Translation*]

PRIVILEGE

MR. LAMBERT (BELLECHASSE)—INACCURACY OF CANADIAN PRESS REPORT

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I rise on a question of privilege. As a result of the opposition motion I presented last week on behalf of my party, the Canadian Press, unintentionally, I am sure, published what I feel certain is an inaccurate and unfair report, and I quote:

> The solution favoured by the Ralliement Créditiste, on the contrary, would be abolishment of the Bank of Canada and granting to each citizen a national dividend proportionate to his needs.

I suggest what should have been reported is that the Creditistes, on the contrary, propose "using" the Bank of Canada.

Mr. Speaker: Order. I must interrupt the hon. member. At any rate, I take it for granted that he has stated his case with regard to the account given of a speech he made in the House last week. I wish to point out to the hon. member that the Chair has not received the notice required under our Standing Orders and, in the circumstances, the matter cannot be discussed further.

* * *

HOUSE OF COMMONS

PRESENCE IN GALLERY OF 1971 EASTER SEAL "TIMMY"

Mr. Jean-R. Roy (Timmins): Mr. Speaker, I wish to point out the presence in the Gallery of Denis Lapalme, from my riding, who is Canada's 1971 "Timmy".

Some hon. Members: Hear, hear!

• (2:10 p.m.)

ROUTINE PROCEEDINGS

[*English*]

PROCEDURE AND ORGANIZATION

Fourth report of Standing Committee on Procedure and Organization—Mr. Blair.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

LABOUR CONDITIONS

FULL EMPLOYMENT AS ECONOMIC GOAL—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I would like to move a motion under Standing Order 43. In view of the doubt created by the annual report of the Governor of the Bank of Canada, which suggests that full employment should not be sought because slack in the economy is necessary to keep inflationary pressures in check, and in view of the need for a clear commitment to a full employment policy by this House, I would like to move, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles):

> That this House affirms that full employment remains a priority economic goal for this country and that employment for all who are willing and able to work is a social right.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Nanaimo-Cowichan-The Islands. The motion, to be moved under Standing Order 43, requires the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous agreement. The motion cannot be put.

[*Translation*]

UNEMPLOYMENT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I ask leave to move a motion under Standing Order 43. I do so on account of the outrageous and inflammatory statement made by the Governor of the Bank of Canada, Mr. Rasminsky, during last weekend, to wit that unemployment is a necessary evil to avoid price increases. This statement suggests that nothing will be done to find jobs for the unemployed and other persons seeking work. It is urgent to know what the government intends to do in that connection.

This is why I ask leave to move, seconded by the hon. member for Villeneuve (Mr. Tétrault):

> That the question of unemployment in Canada be submitted to the consideration of the proper committee and that the salary of the Governor of the Bank of Canada be reduced to the average income level of the unemployed and this until normal employment conditions are restored in Canada.

Mr. Speaker: The House has heard the motion moved by the hon. member for Abitibi. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: There is no unanimous consent, so the motion cannot be put.

Recruitment of Francophones

[*English*]

PUBLIC SERVICE

STATEMENT ON PROGRAM FOR HIRING FRANCOPHONE UNIVERSITY GRADUATES

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, on January 26 of this year I gave assurance to the House that the hiring of Francophone university students would not be charged to contingency vote 5 of the Treasury Board without first advising the House.

I am pleased to advise the House that the government, on the recommendation of the Treasury Board, has authorized the expansion of certain departmental programs and projects involving positions where French is the language of work. The total personnel costs of these programs will be approximately $2 million and the number of personnel involved will be 276.

I outlined in my statement to the Miscellaneous Estimates Committee on March 9 the government's policy of making the Public Service progressively more representative of the two major linguistic communities of Canada. "In accordance with this policy, it is a basic goal of the government to assure equality of opportunity in the Public Service to both French-speaking and English-speaking Canadians."

I went on to say that this would be achieved through the progressive identification of positions as requiring a proficiency in both languages or a proficiency in French or in English, through increasing and improving the language training facilities for both Anglophones and Francophones, and through "the accelerated recruitment of Francophones to the Public Service and development of those already in it."

I noted that, to achieve these goals, departments would have to adopt carefully elaborated manpower development plans.

This program represents a step in the direction of achieving the objective of a more representative Public Service. Specifically, the government proposes to allocate $2 million among ten departments which have submitted proposals for extending certain programs which, at one and the same time, would contribute to the realization of program objectives and would involve positions in areas of the Public Service where French is normally used. The experimental French language units to which I made reference in my statement on March 9 will not be involved since none has yet been established. Of the 276 positions, 128 will be administrative trainees, and the balance will be junior positions in the social science, biophysical sciences and applied science fields.

It is proposed that the program extensions involved, and specifically, the increase in the numbers of positions in the Public Service, be financed out of the contingency fund.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I wish to thank the President of the Treasury Board for providing me with a copy of his statement in advance.

[Mr. Speaker.]

I accept, of course, the principle of equality of French and English in the Public Service and the importance of the Public Service representing the reality of the country.

I have said before and I say now that this or any government must be careful in attaining that representation that it does so in such a way that there will be no sense of injustice on the part of any group within the Public Service.

The confusion and secrecy that surrounded this particular program when it first became known was a perfect example of how not to proceed in matters concerning bilingualism in the Public Service. The present statement by the minister is at least an improvement in that regard in that it is frank and open except that, with regard to the number of persons and the cost of their employment the minister's statement is still vague.

I think that the people of Canada, and the Francophone graduates involved will want assurances that this program does not involve make-work projects. As the minister pointed out, it does not involve any experimental unilingual units because he says that none of these has yet been established. However, it does involve the expansion of existing programs and projects which involve positions where French is the language of work. In other words, the inference will be drawn that there may be other projects equally as meritorious as those that are being expanded but that these have been chosen because French is the language of work in these projects. Language of work will appear to many Canadians to be a rather new and curious principle upon which the Treasury Board recommends the establishment of particular projects.

I must tell the minister that the timing of the program is, in economic terms, unfortunate. In addition to the mass unemployment that prevails across Canada, it is public knowledge that it has been the policy of the government over the past year or more to cut back on the numbers of federal public servants. To what extent has this policy been changed and what is the policy now? In other words, if this is a program purely and simply to hire French-speaking Canadians without reference or relation to the government program in general, then I suggest it will not be acceptable to Canadians and it will not be acceptable to French-speaking Canadians.

The question we must ask ourselves is whether such a program really serves either Canadian unity or the legitimate Francophone presence in the federal Public Service. We must recognize the fact that there will be suspicion among non-Francophone Canadians. In the interests of harmony I think the government must allay that suspicion. That is why I suggest to the minister and to the government that it as quickly as possible present all available details of the programs involved.

I note that the minister says that in the ten departments concerned new employees and additional work on already existing programs will be involved and that their work will more effectively contribute to the goals that these programs are designed to achieve. That may be a

welcome assurance but I hope the minister will be able to tell us in the near future what departments are involved in the interest of national unity and in the genuine interests of the extension of Francophone participation in the Public Service.

• (2:20 p.m.)

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I think no one will quarrel with the minister's statement that it is desirable to make the Public Service progressively more representative of the two major linguistic communities of Canada. Nor can anyone quarrel with the statement that the government wants to assure equality of opportunity in the Public Service. Nevertheless, neither the statement the minister made today nor the statements he has made previously have cleared up a number of very important questions. On January 25 the minister's office issued a press release, a copy of which I have in my hand. It begins by saying:

> Treasury Board President, Honourable C. M. Drury, stated that recent press stories purporting to reveal a secret government fund of $2 million for special hiring of Francophones for the Public Service have been seriously misleading.

The statement goes on to say:

> It is understood the government expects to recruit some 1,250 post-secondary graduates during 1971 and these Francophone positions would be part of that total if the departmental proposals were approved.
>
> "So far as the $2 million is concerned", the Minister said, "this has not been allocated to any specific program . . ."

The question which arises in my mind is, if the government has in mind hiring 1,250 post-graduate students in 1971, why would Francophone graduates be treated any differently from the others? It seems to me that there should be no difficulty in the government advertising for 1,250 positions and stipulating that 276, or whatever number the government feels is a fair percentage of the applicants, must be Francophones, and that the other merit qualifications will apply to all positions, whether the persons concerned are Anglophones or Francophones. Why is it not possible to deal with all graduates on the same basis while at the same time specifying those who must have French as their mother tongue. I find it very difficult to understand this difference in treatment and I think the public will find it very difficult to understand.

We are not opposed to having a fair percentage of Francophones in the Public Service. What we are anxious about is to guarantee that the merit system will continue to apply.

Some hon. Members: Hear, hear!

Mr. Douglas: The minister has not dealt with that point at all. Will the only qualifying criterion for these 276 be that French is their mother tongue?

Some hon. Members: Oh, oh!

Mr. Douglas: If they are appointed to positions when they apply for these jobs, will they be required to go through the Public Service in the usual way if these jobs become vacant? In other words, I think the House and the country want an assurance from the minister that the merit principles laid down in the Public Service Act are not being bypassed in some way. When the government picks out 276 and provides for them under the contingency vote, while the balance of the 1,250 university graduates are to be hired through departments, naturally, there is some concern whether or not the merit principle is being preserved. I hope the minister will seek the earliest occasion possible to make a statement telling us how the merit principle is going to be preserved.

From what I can gather from press reports, another reason for misunderstanding is the fact that the Public Service Alliance have not been consulted about this matter. If they have been consulted more recently, I hope the minister will inform us. Those who are concerned about the security of the positions of those who are in the Public Service, those who are concerned about maintaining the merit system, ought to be allowed to discuss this matter with the government so they can be assured that what the government is doing is simply guaranteeing that there will be a reasonable percentage of French-speaking persons in the Public Service and that in so doing the government is not in any way abusing or bypassing the merit system which all of us want to see preserved.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, the partial achievement of the basic goal to assure equality of opportunity in the public service for both French and English speaking Canadians would make us feel very elated if in so doing, we could at least achieve the true equality that all Quebecers long for.

Mr. Speaker, the remarks that we have just heard from the leaders of the Progressive Conservative and New Democratic Parties leave us wondering as to the possibilities of reaching, in a near future, this equality hoped for by all French Canadians. We are so far from this hoped for equality that this timid effort looks like a revolution to some of our colleagues, while to us, from Quebec, this is but a first step toward the establishment of a beginning of justice.

Mr. Speaker, I do say, a first step and a very timid one, particularly when we read the minister's statement that the $2 million earmarked for the purpose will be distributed to only ten departments. Does this mean that the French Canadians have no interest whatsoever in the other departments which have submitted projects to extend certain programs and that those who have not submitted a project are not serving French Canadians? I would be inclined to think about that. Now we can see how very timid and weak this step is.

How can anyone take exception, how can the majority of this country, which should represent the opposition, talk about being unfair towards Anglophones?

A little further, it is said:

> —would contribute to the realization of programme objectives and will involve positions in areas of the Public Service where French is normally used.

In other words, wherever there are crying injustices, wherever French is not used, nothing will be improved

since it is said that improvements will be made where French is normally used.

Mr. Speaker, all this goes to prove that this is a very timid step. This is a beginning, a very slow evolution, and in fact the core of the problem does not really involve linguistics but an active participation of French-speaking Canadians not only in legislative debates, but also in drafting these pieces of legislation and administrating this country that one would wish bilingual and bicultural.

The time has now come to stop procrastinating on this matter and start acting. Action will have to be stepped up considerably if these objectives are to be realized before Quebecers decide to do so themselves without the help of the nine other provinces.

* * *

[*English*]

EXTERNAL AFFAIRS

REPORT BY MINISTER ON VISIT TO AFRICA

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I should like to report to the House briefly on my recent African trip, in the course of which I visited the Ivory Coast, Nigeria, the Democratic Republic of the Congo, Tanzania and Zambia.

This was the first series of visits by a Canadian foreign minister to Africa south of the Sahara. It enabled me to learn something, but all too little, of the countries visited. It gave me an opportunity to emphasize to the various governments the depth and continuing quality of the Canadian commitment to Africa, of which I saw convincing evidence through my meetings with more than 1,000 Canadians actively engaged in co-operative development projects—missionaries, CIDA people, CUSO volunteers and, of course, the personnel of our diplomatic missions. I also arranged for our ambassadors and high commissioners in the countries I could not visit to join us at various places in Africa in order that I might profit from their advice.

• (2:30 p.m.)

Development assistance is and will remain the largest element in our activities in Africa. This is at once a measure of the need of the developing countries there and of the opportunity Canada has to contribute its resources, human and material, operating equally in English and in French. In certain of the countries visited, I was able to give formal effect to aid arrangements worked out over the last year or so, some of which will have an immediate beneficial impact on our domestic economy.

I also visited the headquarters of the East African Community, which is a form of common market composed of Kenya, Tanzania and Uganda. I learned at first hand of development plans from the African leaders, and saw how Canadian assistance programs fit into these plans and the part they may be expected to play in the future. In all five countries, I was assured that Canadian involvement in black Africa is welcome and expansion of our present efforts is sought. African leaders in the countries I visited told me that the Canadians there were doing an excellent job and that the countries concerned could not get enough Canadian manpower. In Tanzania, for example, President Nyerere indicated that he would be delighted to receive thousands of Canadians, compared to the few hundreds there now. The Canadians I saw confirmed, for their part, the need for continued Canadian presence in Africa. It became clearer to me from day to day that our involvement has raised the expectations of our African friends and that we must continue and strengthen our partnership with them in the development of their countries.

During my two weeks in Africa I found the governments preoccupied with the intractable problems of Southern Africa. These issues have been fully explored in Commonwealth conferences, most recently at Singapore in January. I urged upon the African governments our view that the Commonwealth is an essential forum for discussing the difficult matter of racial discrimination and its repercussions.

In all five countries, Canada's stand on Southern African issues was well understood and accepted. African leaders I met expressed their satisfaction with Canada's position on these problems as expressed by our public statements and our voting record at the United Nations.

In my discussions with African leaders, I emphasized the need for a peaceful solution to the problems of Southern Africa. Large-scale hostilities in Africa could only bring about the ruin of the economy of the black nations and destroy any hope for the betterment of the life of their peoples. Such hostilities would inevitably involve outside powers and threaten a new conflict equal in magnitude to the tragedy of the Middle East or Viet Nam.

I think we should realize and accept that our capacity to influence the white racist minorities in Southern Africa is limited and can best be exercised multilaterally through the United Nations and the Commonwealth. What we can do ourselves is to offer economic and political support for the developing countries of black Africa. In this way, we can make a positive contribution to the solution of the deep-seated problems of Africa, and it is here that our energies should be focused. This is bound to be more rewarding for Africans and Canadians alike than wasting our energies in empty gestures designed to tell the world of our moral rectitude on racial questions.

[*Translation*]

I discussed the question of La Francophonie with members of the governments in the Congo and the Ivory Coast, and explained Canada's position concerning this group of countries which are united by the French language and culture.

I assured them that Canada was completely committed to co-operation with French-speaking countries in general and particularly to the Agency for Cultural and Technical Co-operation of which we are full members. I took this occasion to express our hope that the African countries would be participating equally fully in this organization to promote understanding and mutual assistance. In my opinion such full participation will permit more

rapid and complete development of all the people concerned.

I also remarked that although our assistance to French-speaking African countries had begun slowly and modestly, it was our intention, now that it has reached the same level as our assistance to the Commonwealth African countries, to continue it not only for the benefit of the receiving countries but also to reaffirm Canada's bicultural character.

[*English*]

My tour of Africa, while all too brief, left me with a number of warm and deep impressions.

First, Canada is highly regarded and its name stands very high in Africa. Africans have given us their confidence, and it is this trust which creates an obligation on our part to share with them some of our resources by participating as partners in their programs for economic and social development. This can be achieved by offering to Africa the best in Canada from those fields where Canadians have achieved excellence and special expertise.

Such a joint venture will benefit not only Africans but Canadians. The Canadians serving in various capacities over the continent, old or young, missionaries or volunteers, CIDA personnel or businessmen, are engaged in useful, constructive and essential projects. On their return to Canada, what they have learned about the common human condition will stand them in good stead and will help us all to a better understanding of the world we live in. If one is seeking economic justification for external aid, as development proceeds, African countries will become markets for Canadian products, particularly capital goods, and mutually beneficial trade should increase. Already, in some of the larger countries like Nigeria and the Congo interesting commercial aspects are arising.

Our co-operation with and assistance to Africa can become among the best and most realistic expressions of our national character. Canada and Africa have been enriched by two great European cultures and languages; both Canada and the African countries I visited are engaged in the strengthening of their national unity and sovereignty; like the countries of Africa, Canada is still in the course of development, and, along with our African friends, Canadians abhor the immoral and inhuman policies implemented by the white minority regimes of Southern Africa.

I return from my tour with the conviction that we must continue and increase over time our contribution to the economic development programs of our African friends. Our co-operation with Anglophone and Francophone countries of Africa reflects our own national personality. Our participation in the harmonious economic development of African countries constitutes, I believe, the best way of promoting peace through social justice and the most effective response to the challenge of racial inequality in Southern Africa.

On my way through London to Africa, I met with the Secretary General of the Commonwealth, Mr. Arnold Smith, and on my return journey I gave him some of my impressions which I thought might interest him in his official capacity.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I must begin, as I am happy to begin, by welcoming the minister back. We followed with interest his pilgrimage across Africa. We noted his activities. He was at a zoo. I hope he got along there as well as his chief did in another place.

I want to assure the hon. gentleman that while he was away the Acting Secretary of State, the President of the Treasury Board, did not let him down at all by giving away any information on any question he was asked.

The statement the minister has just made is not an earthshaking statement. It is, rather, one of those comforting and comfortable documents to which I find it impossible, even if it were my wont, to take violent exception. Perhaps it was somewhat less interesting than the very good press reports we read of his journey. He started in the Ivory Coast where he was reported so favourably impressed with the views of the president of that country. I was wondering whether he embraced the views of that gentleman on the Middle East war and its correlation with the South Africa situation.

• (2:40 p.m.)

Then there seemed to be a change as he continued his journey and moved toward a position that has become so common in the Canadian voting pattern in the United Nations, something of an abstention. The minister also abstained on a very important matter about which I hoped he would make an announcement during his tour, namely, the opening of a diplomatic mission in Zambia, a country that is so vitally concerned in the grave problems and terrible assaults on human dignity now troubling southern Africa. I would say to the minister that I am convinced that the opening of a mission in that country would have been more valuable and vital than any of the gifts that he dispensed or announced. I hope that some day he will be able to convince the President of the Treasury Board that we should open a mission in Zambia as well as one in Algeria. Or is it the case that austerity can be broken for Algeria but not for Zambia?

I was impressed with the minister's statement in reference to moral rectitude and agree with what he said. The minister spoke of abandoning the practice of wasting our energies in empty gestures designed to tell the world of our moral rectitude on racial questions. I am profoundly in agreement with this. For so long have we practised this. There was a time when Canada was regarded as a sort of omnipresent saviour of the world everywhere we were expected to go. Now I fear there is a tendency to become the cloistered saint, but we do not give up our preachments because we sometimes avoid our commitments. It will be a mark of maturity if we drop our pious preaching of pusillanimous platitudes and move on to accept those commitments that we can meet and are prepared to meet. I salute the minister for his statement and I admire his precepts, but he might well become his own first convert to that very fine exhortation.

I was impressed too with the non-reference to the freeing of the inhibitions on our aid. When the minister was in Africa I read that he said to the President of the Ivory Coast, I believe it was, that Canada would adopt a more flexible attitude on the question of tied aid. However, I saw nothing in his announcement and heard nothing in the television programs over the weekend to indicate this.

I agree wholeheartedly with what the minister said in his statement—indeed, he made this point twice—about the Canadian volunteers, the CIDA-CUSO people. He did not mention the CESO people who are sometimes called the "paunch corps", which of course is most unkind! These are the people who, in my opinion, are the real ambassadors of this country, and I am so glad that the minister reported on their behalf. Many of these people, young and old, before they go out to foreign fields are briefed by the minister's department, I believe quite well, but I have never heard of any of them being debriefed when they come back. When we send hundreds of young people to various parts of the world, are they not a magnificent store of information, a group of sensitive and informed people? I believe that the minister's department should make contact with them and thereby broaden their knowledge and Canada's capacity for doing good work. That is a suggestion I would make.

There may be, indeed there are, many questions which should be gone into, this having been a very important tour on the part of the minister. Therefore I hope he will be with us in the Standing Committee on External Affairs and National Defence so that we may have time to discuss these questions. We have had too many months elapse without an external affairs debate in the House, and I might say I am very upset about that. Perhaps at least in committee we can look more fully into the visit to this great continent, a continent that has been silent for so long and which only in our own time has moved into the international scene. It is a vital part of the world, one massive in its geography, immense in its problems and magnificent in its possibilities. Let me assure the minister that I, and I am sure I speak for my colleagues, agree with him that we must continue our partnership with the people of this great continent from which he has just returned.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should also like to welcome the Secretary of State for External Affairs (Mr. Sharp) back to the House from his trip to Africa. We are very pleased that he is the first Canadian minister of external affairs to visit Africa. We think his visit coincides with a growing interest in Canada in the problems of Africa. I am certain that the minister's visit to that continent will enable the Canadian government to formulate policies which will be of benefit to the continent of Africa.

We support the minister in his statement that we must both continue and increase our contributions to the economic development programs of our African friends. We also agree with his statement that we in Canada look with abhorrence upon the inhuman policies of the white minority governments in Africa.

While the minister has made these statements, with which we all concur, there are a number of things that happened during his trip about which I hope the minister will make a statement; they are not included in the statement he made today. I might make reference to the plea of Mr. Kaunda of Zambia that a Canadian mission be opened in Lusaka. I know that the minister could not make a statement to that effect while he was in Africa without the concurrence of the cabinet. I think we will all await with great interest the result of the minister's consultation with his colleagues, which I hope will be a decision to have a Canadian High Commission in Zambia.

I would also have welcomed a statement from the minister on Mr. Kaunda's plea in regard to the Canadian government trying to persuade the Aluminum Company of Canada to stop supplying material for the Cabora Bassa dam in Mozambique. One Swedish firm has already withdrawn because it had some reason to believe that this aluminum would be processed in Rhodesia and consequently might violate Sweden's commitment to observe the economic boycott of that country. I hope the minister will look into this matter and, if he finds that this aluminum is going to be processed in Salisbury, Rhodesia, that Canada will not allow the Aluminum Company of Canada, or any other company, by subterfuge make Canada violate its commitments regarding the boycott of Rhodesia.

One of the matters that disturbed some of us who followed the reports of the minister's visit was the somewhat equivocal stand that he took with respect to the white minority governments in Africa. It is true that he spoke out with plenty of rectitude about the inhuman policies that they are pursuing, but I noticed that after agreeing with the president of the Ivory Coast he ran into some difficulty when he was in Nigeria. The press reports General Yakubu Gowon as saying:

> Gowon gave Sharp a hard line on southern Africa yesterday, rejecting the "dialogue" approach to solving the racial issue.
>
> In an interview shortly after an hour long meeting with Sharp, Gowon said the white minority government of South Africa wants to "lure" top black African leaders into a dialogue over the racial question.
>
> South Africa would treat these leaders well and offer them "chicken-feed economic aid," he said. But having pacified its neighbours, South Africa would then do nothing about the plight of its own black subjects.
>
> "To me, that thinking stinks," Gowon said.

I hope we will not be equivocal in our stand with respect to the white minority governments in southern Africa but will make it abundantly clear, not only by the platitudes uttered by the minister but by our actions, that we stand with the black people of Africa who are seeking to obtain democratic rights for their people without relation to race, colour or creed.

• (2:50 p.m.)

The only other thing I should like to say is that I notice the minister said that Canada stands ready to help fly maize into Zambia if the white minority governments in Africa continue to block imports of that country's staple food. This, of course, would require a very heavy expen-

diture by the Canadian government, but it would be the kind of gesture the people of black Africa would understand. I hope we will have a statement from the minister fairly soon as to just how he is prepared to carry through that offer and whether the Canadian government is prepared to fly food into Zambia if as at present that country is thwarted in its efforts to feed its own people because of the actions of the white minority governments in southern Africa.

We welcome the minister's statement. We approve of the ideas he has put forward with regard to aid to Africa and his abhorrence of the policies pursued by the white minority governments in Africa. All we ask now is that the minister put these fine statements and this excellent rhetoric into practice by some hard government policies.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, the minister's return and the report he has just made, indicate that I had no reason to be concerned. Indeed, I was afraid the minister would venture much too far in the jungle and cause a revival of ancient and long-gone cannibalistic traditions.

From what I can gather from his report, the minister merely visited the better developed African areas, met the authorities of those five countries that had made their requirements known and that thanked him for Canada's aid which is relatively recent at least with respect to the Francophone countries where it has been in existence only for the past few years.

Mr. Speaker, we followed the trip of the minister to that part of the world and we, of the Ralliement Créditiste, believe that Canada should not neglect any country in its international relations.

However, we wish the minister and the government would have the same consideration for Canadian areas that are also underdeveloped and as such live now in poverty and misery.

We are aware that Canada is helping various countries, not to extend its rule over them as some others would, but for commendable motives, that is to promote among countries of those areas the peace we would like to see in other parts of the world such as Asia.

Mr. Speaker, we would like also to see peace assured in underdeveloped areas of Canada where there are today ferments of revolution caused by undeserved misery, in the midst of abundance. While maintaining our assistance to those countries as much as we can, I believe the government should pay more attention to our own undeveloped areas.

* * *

[*English*]

CIVILIAN WAR PENSIONS AND ALLOWANCES ACT

AMENDMENT TO INCREASE PAYMENTS

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved for leave to introduce Bill C-232, to amend the Civilian War Pensions and Allowances Act. Motion agreed to, bill read the first time and ordered to be printed.

WAR VETERANS ALLOWANCE ACT, 1952

AMENDMENT TO INCREASE TABLE AND CEILING OF ALLOWANCES

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved for leave to introduce Bill C-233, to amend the War Veterans Allowance Act, 1952. Motion agreed to, bill read the first time and ordered to be printed.

* * *

PENSION ACT

AMENDMENT TO INCREASE PAYMENTS

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved for leave to introduce Bill C-234, to amend the Pension Act. Motion agreed to, bill read the first time and ordered to be printed.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ACTION TAKEN BY PRIME MINISTER WITH REGARD TO LETTER FROM MR. SAULNIER CONCERNING ACTIVITIES OF CYC

Question No. 366—**Mr. Coates:**

What action was taken by the Prime Minister with regard to the letter he received from Lucien Saulnier, Chairman of the Executive Committee of the City of Montreal, on March 17, 1969, with regard to activities of the Company of Young Canadians and what Ministers of the government were given responsibility by the Prime Minister as a result of this letter and were reports made available to the Prime Minister on the actions that were taken in relation to this letter?

Mr. Barnett J. Danson (Parliamentary Secretary to the Prime Minister): This question seeks information with respect to the assignment in a specific instance of responsibility within the Cabinet, and of the manner in which that particular responsibility was discharged. It has long been recognized that the arrangements made by the Cabinet for the discharge of business for which it is collectively responsible are not customarily disclosed.

ACTION TAKEN BY FEDERAL GOVERNMENT IN RESPONSE TO EVIDENCE PRESENTED BY MONTREAL

Question No. 367—**Mr. Coates:**

What Ministers of the federal government were specifically designated by the Prime Minister to take action on the evidence presented to the government by officers of the City of Montreal on October 29, 1969, and were reports prepared and presented to the Prime Minister on the basis of this evidence and, if so, what action was taken as a result of these reports?

Mr. Barnett J. Danson (Parliamentary Secretary to the Prime Minister): This question seeks information with respect to the assignment in a specific instance of responsibility within the Cabinet, and of the manner in

which that particular responsibility was discharged. It has long been recognized that the arrangements made by the Cabinet for the discharge of business for which it is collectively responsible are not customarily disclosed.

TOBACCO—RESEARCH OF HARMFUL EFFECTS

Question No. 714—**Mr. Robinson:**

Will the government consider the advisability of requiring the tobacco industry to pay 1% of gross earnings into research of the harmful effects of tobacco?

Hon. John C. Munro (Minister of National Health and Welfare): The government's policy on tobacco will be announced in due course. This suggestion, along with all others, will be taken into consideration.

CANADA'S GRAIN MARKETING SYSTEM

Question No. 769—**Mr. Southam:**

1. (a) On what date was the special market review committee appointed by the Canadian Wheat Board to look into Canada's grain marketing system and Wheat Board operations set up (b) what were the names of these members, their qualifications and addresses (c) who was the chairman of this committee (d) what was the salary in each case?

2. (a) Did this "review committee" travel to other countries and, if so, to which ones (b) what was the total cost of this exercise to date (c) who pays the cost of this undertaking?

3. (a) Has the committee's report been released to the Wheat Board as yet (b) will it be released to the general public and, if so, on what date?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. (a) July 6th, 1970. (b) Dr. M. W. Menzies, President, M. W. Menzie Group Limited, Winnipeg. Dr. John Schnittker, Professor of Economics, Kansas State University, and formerly Undersecretary of Agriculture in the United States Government. A. P. Van Stolk, President, Van Stolk's Koninklijke Commissiehandel, Rotterdam, and a grain market advisor to the European Economic Community. Vernon Lester, President of Powell-Lester, a Vancouver based grain exporting firm. A. T. Baker, former general-manager of the Alberta Wheat Pool, one of Canada's major grain handling companies. Dr. J. L. Leibfried, Executive Assistant to The Canadian Wheat Board. (c) Dr. M. W. Menzies. (d) Chairman, $200 per diem. Others $175 per diem except Dr. J. Leibfried an employee of The Canadian Wheat Board.

2. (a) Belgium, France, Germany, Hong Kong, Italy, Japan, Malaysia, Netherlands, Philippines, Singapore, Switzerland, Thailand, United Kingdom, United States. (b) $108,158.55. (c) The Canadian Wheat Board.

3. (a) Yes. (b) Yes. When additional copies have been printed and the translation completed.

RADIOACTIVITY LEVELS

Question No. 791—**Mr. Reid:**

1. Are radioactivity levels checked monthly and, if so, what were the levels in October, November, December, 1970, and January, 1971 at (a) Thunder Bay (b) Atikokan (c) Fort Frances (d) Rainy River (all in Ontario) and (e) Winnipeg, Manitoba?

2. Were the levels checked following a leak from an underground atomic explosion in Nevada in December, 1970 and, if so, what were the levels?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Radioactivity levels are checked weekly in air, monthly in precipitation, and monthly in milk for Thunder Bay, Ontario and Winnipeg, Manitoba. Levels are not measured at Atikokan, Fort Frances or Rainy River. The results for October, November, December 1970, and January 1971, are given in the attached table.

2. The radioactivity levels in air were checked daily during the period December 24-31, 1970. The results for these days are given in the following table along with weekly value for the weeks before and after the period of increased surveillance. Small increases in air radioactivity from a normal background level of 0.1—0.3 picocuries per cubic meter to 0.5—0.7 picocuries per cubic meter were noted at Toronto and Windsor on December 25 and 26, 1970.

Radioactivity Levels at Winnipeg and Thunder Bay

Medium and Location	October 1970	November 1970	December 1970	January 1971
Total beta activity in air, Thunder Bay (Picocuries per cubic meter)	0.1	0.1	0.1	0.1
Total beta activity in air, Winnipeg (pCi/m3)	0.1	0.1	0.1	0.1
Total beta activity in precipitation, Thunder Bay (Millicuries per square kilometer)	6.1	2.1	0.8	2.1
Total beta activity in precipitation, Winnipeg (mCi/km²)	1.5	1.7	0.4	0.33
Cesium-137 in milk, Thunder Bay (picocuries per litre)	27	29	22	28
Cesium-137 in milk, Winnipeg (pCi/1)	26	23	21	21

Radioactivity Levels in Air December 10, 1970 to January 21, 1971

Sampling Period	Winnipeg	Thunder Bay
December 10–December 17, 1970	0.1	0.1
December 17–December 24	0.1	0.1
December 24–December 25	0.1	0.2
December 25–December 26	0.1	0.1
December 26–December 27	0.1	0.1
December 27–December 28	0.2	0.1
December 28–December 29	0.1	0.1
December 29–December 30	0.1	0.1
December 30–December 31	0.1	0.1
December 31–January 7, 1971	0.1	0.1
January 7–January 14	0.1	0.1
January 14–January 21	0.1	0.1

INFORMATION CANADA PERSONNEL

Question No. 867—**Mr. Coates:**

With respect to the answer to Question Number 685 at page 2933 of *Hansard*, February 1, 1971, are there persons in the employ of Information Canada who are not salaried employees but have a contractual arrangement with Information Canada and, if so (a) what are the names of these individuals in each specific case (b) what are their responsibilities (c) in each case, what are the contractual terms for services rendered?

Hon. Robert Stanbury (Minister without Portfolio): As of March 1, 1971, there are 17 persons in the employ of Information Canada who are not salaried employees but have a contractual arrangement with Information Canada. The names, responsibilities and contractual terms of services rendered in each are as follows:

(a) Name	(b) Fee	Period	(c) Responsibilities
Biolley, Mrs. K. L.	$25 per day	Feb. 1/71–Mar. 26/71	Project Researcher and Writer
Boileau, Mr. Gerard	$1,200 per mo.	Feb. 22/71–Mar. 31/71	Project Coordinator and Pavillion Manager
Brown, Mr. Jerry	$4.89 per hr.	Feb. 15/71–Mar. 31/71	Exhibit Designer
Callahan, Mrs. C.	$5.47 per hr.	Feb. 22/71–Mar. 31/71	Exhibit Designer
Delanoe, Mr. G.	$2,333.33 plus $10 per diem living expenses	Feb. 1/71–Mar. 31/71	Information Consultant
Dennis, Mr. E.	$2,666.66	Feb. 1/71–Mar. 31/71	Communications Researcher
Downes, Mrs. M. L.	$40 per day $5,000	Mar. 1/71–Mar. 19/71	Researcher and Writer
Ford, Mr. T.	$5,000	Jan. 1/71–Mar. 31/71	Special Planning Adviser (Projects and Priorities)
Forget, Mr. G.	$175 per day for maximum of 15 days	Feb. 3/71–Mar. 31/71	Information Services Consultant
Fortin, Mr. Paul	$25 per day	Feb. 16/71–Mar. 17/71	Project Administrator
Gaudreault, Mr. A.	$1,500 per mo.	Jan. 11/71–Apr. 11/71	Information Researcher and Consultant
Gionet, Mr. N.	$3 per hr. to maximum of 18 hrs. per week	Jan. 25/71–Mar. 31/71	Enquiry Assistant
Hanington, Mrs. M.	$40 per day	Mar. 1/71–Mar. 19/71	Researcher and Writer
Houzer, Mrs. E.	$75 per day	Jan. 25/71–Mar. 31/71	Coordinator and Producer of Research and Writing
Hughes, Mr. G.	$7.35 per hr.	Feb. 8/71–Mar. 31/71	Exhibit Designer
Kelly, Mr. R. A. D.	$1,200 per mo.	Feb. 8/71–Mar. 31/71	Project Administrator and Coordinator
Senecal, Mrs. A.	$1,500 per mo.	Jan. 25/71–Mar. 31/71	Recruiting Assistant

Questions

CMHC—LOANS METROPOLITAN TORONTO IN EXCESS OF $100,000, 1968, 1969 AND 1970

Question No. 881—**Mr. Robinson:**

How many CMHC loans were made in 1968, 1969 and 1970 in the Metropolitan Toronto area of over $100,000 each and what is the name and address of the recipient?

Hon. Robert K. Andras (Minister without Portfolio):

CMHC Loans of $100,000 and over approved under the National Housing Act Metropolitan Toronto, 1968-1970

Item			Loans	Units	Hostel Beds	$000
Low Rental	Section 16	1968	1	—	138	500
		1969	4	324	279	6,210
		1970	23	5,783	464	78,808
Public Housing	Section 35D	1968	16	4,507	160	52,291
		1969	9	3,499	—	36,414
		1970	20	4,940	—	67,602
Student Housing	Section 36D	1968	11	176	2,565	17,336
		1969	2	329	588	7,977
		1970	1	—	276	1,629
Home Owner and Rental	Section 40	1968	—	—	—	—
		1969	—	—	—	—
		1970	2	153		2,642
Sewage Treatment	Section 36F	1968	11	—	—	11,229
		1969	13	—	—	10,146
		1970	10	—	—	7,446

The names and addresses of borrowers are generally considered to be of a confidential nature.

FEDERAL GRANTS FOR SOCIAL DEVELOPMENT OF NORTHWESTERN QUEBEC

Question No. 908—**Mr. Caouette:**

1. Does the government make any grants to the Council for the Social Development of Northwestern Quebec and, if so, what total amount has been given to this organization?

2. Who are the members of this organization?

3. Is a federal public servant a member of this organization and, if so (a) what is his name (b) what are his duties (c) what is his salary (d) since when has he been performing these duties?

[*Translation*]

Hon. John Munro (Minister of National Health and Welfare): 1. The federal government has recently approved a grant under the National Welfare Grants program for a demonstration project to the Conseil de Développement Social du Nord-Ouest Québecois Incorporated. The grant for the current fiscal year is $22,265. The first phase of the project will last eighteen months and it is anticipated the total financial requirement will be approximately $100,000. The actual amounts will depend on budgetary needs.

[Mr. Stanbury.]

2. The members of this organization are agencies involved in the health and welfare field in the Northwest region of Quebec and interested individuals. This Department does not have a list of the membership of this organization.

3. This Department is not aware of any federal public servant who is a member of the organization. However, it is possible that some interested federal public servant may have taken out an individual membership of his own. If this is so, it would be in the capacity of a private citizen and not in any official capacity as a public servant.

[*English*]

MIGRATORY BIRDS CONVENTION ACT—INDIAN HUNTING FOR FOOD ON RESERVES

Question No. 912—**Mr. Fairweather:**

1. Will an announcement be made that no Indian hunting for food on a Reserve or unoccupied Crown Land shall be prosecuted under the provisions of the Migratory Birds Convention Act and, if so, on what date?

2. Will discussions be held between representatives of the Indian people and the Government of Canada with the objective of preparing an amendment to the Migratory Birds Convention Act and, if so, on what date?

3. During the National Conference on the Indian Act April 28-May 2, 1969, did the Minister of Indian Affairs and Northern Development promise to "make known the views of the gov-

ernment concerning the problem of Migratory Birds in June of 1969"?

4. On what date can an announcement be expected outlining the government's views on this subject?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of Fisheries and Forestry and the Department of Indian Affairs and Northern Development as follows: 1. No such announcement is possible at present because no such decision has been made.

2. Several discussions have already been held with representatives of the Indian people but no decisions relative to those discussions have yet been reached.

3. Yes.

4. No firm date can be given at this time but an announcement will be made after decisions have been taken.

DEPARTMENT OF EXTERNAL AFFAIRS—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 916—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of External Affairs is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): The Department of External Affairs has no supplementary estimates.

DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 918—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of Industry, Trade and Commerce is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Supplementary Estimates (A) and (B) for the fiscal year ending March 31, 1971 are designated as follows: (a) Nil. (b) Nil. (c) Nil. (d) Nil. (e) Extension of General Adjustment Assistance Program to include manufacturers in Canada of textile and clothing goods and of footwear, 100%. (f) Nil.

FEDERAL AID TO SOUTH EAST ASIA

Question No. 940—**Mr. McIntosh:**

1. What is the sum total of contributions to foreign countries announced by the Prime Minister on his recent South East Asia tour in connection with the Commonwealth Heads of Government Conference?

2. What is the amount promised to each country, and in each case, what is the purpose of the contribution?

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): At the Singapore Conference, Heads of Government supported the establishment of the Commonwealth Fund for Technical Co-operation. The Prime Minister announced that Canada would contribute to the Fund the lesser of 40% or $350,000 each year for the first three years. The Prime Minister also announced that Canada would contribute a fair share up to $2 million per year in a five year period to the Fund, if there is sufficient support for an over-all $5 million level or similar target, and as capacities to utilize the enlarged funding are developed.

In Indonesia, the Prime Minister announced a Canadian commodity assistance program of $4.0 million. Its purpose is to permit importation from Canada of various industrial raw, semi-processed or processed commodities required in support of Indonesia's development plans. Fertilizers for the agricultural sector would also be eligible.

In Ceylon, the Prime Minister signed a $4.5 million loan for a forestry project. The loan will provide Canadian equipment and engineering services for a mechanized logging operation.

While in the region, the Prime Minister also announced a contribution of $13.0 thousand for emergency relief assistance to Malaysia. This contribution was in response to severe flooding in the country, and a need for clothing and medicines for refugees from the floods.

AFRICAN DEVELOPMENT BANK

Question No. 943—**Mr. Robinson:**

1. What has been Caanda's contribution to the African Development Bank since its inception?

2. What other countries are involved in the African Development Bank and what has been the financial contribution of each since the bank was set up?

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): 1. As the capital of the African Development Bank is not open to non-regional participation, Canada is not a member. Canadian officials have, however, received Cabinet's approval of a contribution to the Special Fund of the Bank of US $15 million over five year period. This contribution would be made out of the International Development Assistance Vote. Canada has contributed US $150,000 to the Bank to be used for technical assistance.

2. Subscriptions to the Capital stock of the African Development Bank have been made in the following amount by the 31 member nations of the Bank. One-half of each subscription is paid-in and one-half is callable. All figures are in millions of US dollars.

Algeria, $24.50; Burundi, $1.20; Cameroon, $4.00; Chad, $1.60; Congo (Brazzaville), $1.50; Congo (Kinshasa), $13.00; Dahomey, $1.40; Ethiopia, $10.30; Ghana, $12.80; Guinea, $2.50; Ivory Coast, $6.00; Kenya, $6,00; Liberia, $2.60; Malawi, $2.00; Mali, $2.30; Mauritania, $1.10; Morocco, $15.10; Niger, $1.60; Nigeria, $24.10; Rivanda, $1.20; Senegal, $5.50; Sierra Leone, $2.10; Somalia, $2.20; Sudan, $10.10; Tanzania, $6.30; Togo, $1.00; Tunisia, $6.90; Uganda, $4.60; United Arab Rep., $30.00; Upper Volta, $1.30; Zambia, $13.00.

In addition, several developed countries have indicated an interest to participate in the Bank's Special Fund when it is set up.

Questions

CARIBBEAN REGIONAL DEVELOPMENT BANK

Question No. 944—**Mr. Robinson:**

1. What has been Canada's contribution to the Caribbean Regional Development Bank since its inception?

2. What other countries are involved in the Caribbean Regional Development Bank and what has been the financial contribution of each since the bank was set up?

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): 1. Canada's subscription to the capital stock of the Caribbean Regional Development Bank is US $10 million, one-half of which is paid-in and one-half callable. Canada has also pledged the equivalent of US $5 million over a five year period to the Special Fund of the C.R.D.B.

2. Subscriptions to the capital stock of the Bank by each of its members are shown below. One-half of each subscription is callable and one-half is paid-in. All figures are in millions of US dollars.

Jamaica, $11.20; Trinidad & Tobago, $7.70; Bahamas, $3.30; Guyana, $2.40; Barbados, $1.40; British Honduras, $.50; Grenada, $.50; St. Lucia, $.50; Antigua, $.50; St. Vincent, $.50; Dominica, $.50; St. Kitts-Nevis-Anguilla, $.50; Montserrat, British Virgin Isls., Cayman Islands, and Turks and Caicos Isls., $.50; United Kingdom, $10; Canada, $10.

In addition, the United Kingdom has pledged US $5 million to the Special Fund of the Bank and the United States has agreed to make a US $10 million loan to the Bank to be used for Special Fund operations.

DEPARTMENT OF PUBLIC WORKS—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 948—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of Public Works is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Hon. Arthur Laing (Minister of Public Works): (a) 100 per cent. Budgetary provision in the Supplementary Estimates is in respect of planned expenditures to March 31, 1971 on newly-initiated projects. (b) 100 per cent. The provision is part of a general plan to stimulate the economy and thereby generate additional employment opportunities. (c) Nil. (d) Nil. (e) Nil. The provision is for additional activity within existing programmes, not for new programs. (f) Departmental staff was supplemented by 110 casual employees in the Administrative support areas. In addition 162 contracts were awarded to consultant firms for professional services in carrying out design and engineering work.

ROYAL COMMISSION ON BILINGUALISM AND BICULTURALISM

Question No. 952—**Mr. Rondeau:**

1. What are the names of the persons who were employed by the Royal Commission on Bilingualism and Biculturalism?

2. What amount did each employee receive in salary and for how many hours of work?

[Mr. Ouellet.]

3. What amounts were paid to each employee for travelling expenses and how many hours of work were involved?

4. What expenditures were made by the Commission for stationery?

5. What expenditures were made by the Commission for translation purposes, how many persons were involved and what was the average salary of the translators so employed?

Mr. Barnett J. Danson (Parliamentary Secretary to the Prime Minister): The Royal Commission on Bilingualism and Biculturalism have provided the following answer: 1, 2 and 3. It is regretted that it is not possible to provide detailed answers concerning the staff of the Commission as all records have been deposited with the Public Archives for safe keeping. Additional staff would have to be hired to retrieve the information requested. It is possible, however, to state that a total of 515 personnel were employed with a total expenditure of $4,456,553 for salaries and $313,722 for travelling expenses to February 28, 1971.

4. Total expenditures for stationery are $75,828.

5. The Commission has not kept specific records of translation costs as a great deal of the work was performed by the Translation Bureau of the Department of the Secretary of State. Additional work was included in the editorial and revision work on various studies and reports for which no cost breakdown is available.

USE OF COMPUTERS FOR TESTING OF DRUGS FOR RESEARCH PURPOSES

Question No. 979—**Mr. Robinson:**

Will the government consider the feasibility and advisability of recommending that computers be used for testing of drugs rather than animals for research purposes?

Hon. John C. Munro (Minister of National Health and Welfare): Officers of the Department of National Health and Welfare are fully aware of the fact that non-sentient systems including computers, which do not include the use of living animals, are of great value in medical research. Such systems are used wherever applicable in the research and regulatory programs of the Department.

RATING OF CEREALS AS TO PROTEIN CONTENT

Question No. 981—**Mrs. MacInnis:**

With respect to the answer to Question Number 103 at page 3235 of *Hansard*, February 10, 1971, what is the protein content per ounce for each of the cereals listed?

Hon. John C. Munro (Minister of National Health and Welfare):

Cereal	Protein (grams)
Special "K"	6.0
Cherrios	3.6
Shredded Wheat	3.1
Muffets	3.6
Rolled Oats	3.9
Red River Cereal	4.1
High Protein Pablum	10.2
Gerber's High Protein Cereal	10.2

STATUS OF PERSONS ON RETRAINING COURSES IN RELATION TO UNEMPLOYMENT STATISTICS

Question No. 991—**Mr. Valade:**

Does the Dominion Bureau of Statistics consider persons who take retraining courses as unemployed, and (a) if so, are such persons included in statistics concerning the unemployed (b) if not, under what category are such persons included?

[*Translation*]

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: In the labour force survey, persons on training courses are counted as going to school, and hence are not included in the employed or the unemployed totals. This treatment applies to persons who had no labour force activity in the reference week. If a person on training also worked for part of the week, he would be counted as employed.

PUBLIC WORKS—FEDERAL BUILDING OROMOCTO, N.B.

Question No. 1,007—**Mr. MacRae:**

Is it the intention of the government to construct a federal building to house the post office and other federal departments in the Town of Oromocto, New Brunswick?

Hon. Arthur Laing (Minister of Public Works): Consideration is now being given to improving the quality of accommodation for the Post Office Department in Oromocto. No decision has yet been taken as to whether or not a new building will be constructed.

INVESTMENT IN CANADA OF ASSETS HELD BY UNITED STATES INSURANCE COMPANIES TRANSACTING BUSINESS IN CANADA

Question No. 1,051—**Mr. Deakon:**

What percentage of overall funds, held by insurance companies doing business in Canada and having Head offices in the United States, are invested in Canada?

Hon. E. J. Benson (Minister of Finance): At the end of 1969 United States insurance companies transacting insurance in Canada held assets in Canada amounting to $3,105 million. Such assets represented 1.8% of the total assets of such companies. Of the assets held in Canada, more than 99% represent investments in Canada.

CANADIAN ARMED FORCES—RATIO OF PROMOTION

Question No. 1,058—**Mr. Forrestall:**

What is the ratio of promotion in the Armed Forces (with the exception of corporal) between technical tradesmen, operational personnel and administrative personnel?

Hon. Donald S. Macdonald (Minister of National Defence): Promotions are based on a need to fill establishment positions at various rank levels. There is no numerical ratio for promotion between technical tradesmen, operational and administrative personnel as some of the establishment positions may be filled by any of these categories.

PAYMENT OF INCOME TAX ON EARNINGS DERIVED FROM RACING AND GAMBLING OPERATIONS

Question No. 1,059—**Mr. Robinson:**

Do horse owners and gamblers pay income tax on earnings obtained from racing and gambling operations or games of chance and, if not, will the government consider amending the Income Tax Act?

Hon. Herb Gray (Minister of National Revenue): Yes, if these activities are of such a character and extent that they constitute a business as distinct from a hobby or pastime.

REVENUE DERIVED FROM SALES TAX ON SPIRITS, ETC. 1970

Question No. 1,067—**Mr. Mather:**

What, in dollars, was the federal revenue from spirits, beer and wine in 1970?

Hon. Herb Gray (Minister of National Revenue):

	1969-70
Spirits—Matured	$189,932,723.16
Unmatured	4,800,225.16
Beer	139,353,060.13
Wine	6,990,586.05

In addition, the general sales tax applies to these items but statistics are not available as to the revenue which has resulted from the sale of individual products.

INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,074—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Treasury Board (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. C. M. Drury (President of the Treasury Board): The Treasury Board Secretariat does not provide computer services to: (a) other departments; (b) industry; (c) provincial government departments; (d) municipalities.

LOANS TO FRANCOPHONE COUNTRIES, 1967-70

Question No. 1,078—**Mr. Mazankowski:**

Have any grants or loans been made available by the Secretary of State to francophone countries during the fiscal years 1967-68, 1968-69 and 1969-70 and, if so, (a) to which countries (b) in what amounts (c) for which projects?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): No.

[*English*]

P.E.I.—ESTABLISHMENT OF INDUSTRIES UNDER REGIONAL DEVELOPMENT INCENTIVES ACT

Question No. 1,083—**Mr. McQuaid:**

1. How many industries have been established or assisted under the Regional Development Incentives Act in the Province of Prince Edward Island?

Questions

2. What are the names and locations of the companies so established or assisted and in what industrial enterprise is each one involved?

3. What is the amount paid to each industry and is the payment by way of grant or loan?

4. What is the expected number of additional employees to be employed by each of the industrial companies which have been assisted?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Sixteen.

2 and 4. See table following.

3. The Act makes no provision for loans. The estimated amounts of the incentive grants are shown in the table.

Regional Economic Expansion
Regional Development Incentives Act
Prince Edward Island
Approved Projects
Inception to February 28, 1971

Name	Location	Type of Industry	Estimated No. of New Jobs	Estimated Amount of Incentive
Maritime Motor Supply	Charlottetown	Rebuilding engine parts	7	15,000
Hypro Seafoods Ltd.	Souris	Fishmeal & oil	19	121,394
Sonier Bros. Co. Ltd.	Summerside	Fish processing	30	32,010
Bruce Stewart Ltd.	Charlottetown	Tobacco drying eqpt.	17	45,000
Douglas G. Cockburn	Mount Stewart D.	Tobacco	5	11,530
Delhi Foundry & Farm Machinery Ltd.	Montague	Farm machinery	15	71,047
National Sea Products	Summerside	Fish processing	80	178,677
Island Potato Growers	Souris	Potato processing	32	169,300
Acadian Fishermen's Co-op Assoc. Ltd.	Abrams Village	Gourmet food	60	315,400
Langley Fruit Packers Ltd.	Montague	French fries	14	22,060
Seabrook Farms Frozen Foods Ltd.	New Annan	Packaging frozen food	Nil	11,140
Eric Robinson Inc.	Albany	Potato processing	46	81,544
Prince Edward Food Products	Summerside	Canned juices & vegetables	10	49,250
P.E.I. Vegetable Growers Co-op Assoc.	Sherwood	Turnips & strawberries	12	43,200
Ben Livington & Sons Ltd.	Charlottetown	Steel pipes, cylinders, etc.	9	26,250
F. J. Shea & Son Ltd.	St. Louis	Potato packaging & grading	28	40,250

NUMBER OF PERSONS REGISTERED FOR ADULT TRAINING COURSE

Question No. 1,095—**Mr. Fortin:**

1. How many persons were registered full-time for an adult training course given by the Department of Manpower and Immigration at the end of (a) December, 1969 (b) January, 1970 (c) December, 1970 (d) January, 1971 (e) February, 1971?

2. How many persons completed a training course in 1970?

3. How many of these persons were unemployed when they began taking the course?

4. What percentage of those, who took this course in 1970, have been able to find employment on completion of their course?

[*Translation*]

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. (a) 52,759, (b) 68,496, (c) 57,849, and (d) 83,712, excluding workers being trained by employers under contract with the Department of Manpower and Immigration. (e) Information not yet available.

2. 176,582 trainees completed courses under the Canada Manpower Training Program in 1970, excluding part-time trainees, and workers trained by their employers under contract with the Department of Manpower and Immigration.

3. 52.2% of those referred to full-time training in 1969-70 were unemployed at the time of referral.

4. Information for 1970 is not yet available. However, of some 154,000 full-time trainees who completed their training in 1969-70, 38,600 were apprentices, nearly all of whom, under the terms of their apprenticeship, expected to return to work for their employers immediately upon completion of their courses. Of the remainder, a sample survey indicates that 74% of respondents were employed three to four months after completing all of their course work.

[Mr. McQuaid.]

[*English*]

NEWFOUNDLAND—RDIA APPLICATIONS

Question No. 1,103—**Mr. Marshall:**

1. (a) What firms in the Province of Newfoundland submitted applications for Regional Development Incentive grants and were turned down (b) what were the reasons in each case?

2. Has DREE completed the study of the Regional Development Incentives Act programs in the Province of Newfoundland and, if so, what were the findings?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. Applications for incentives are confidential business information, unless and until an offer is made and accepted by the company.

2. The study presumably referred to is an industrial opportunity study. It is in progress.

CANADIAN ARMED FORCES—OFFICER REQUIREMENTS

Question No. 1,108—**Mr. Forrestall:**

What is the current requirement per year of new officers in the Armed Forces and, of these, how many at university graduate level?

Hon. Donald S. Macdonald (Minister of National Defence): In 1971-72, 749. Of these 358 will be graduating from subsidized university training plans and 140 will be commissioned from the ranks. Of the remaining 251 it is hoped as many as possible will be university graduates, or, as a minimum, hold a diploma from an accredited technological institute. Any additional requirements may be met by enrolling high school matriculants through the Officer Candidate Training Plan. Once the current force reduction has been accomplished it is estimated that the annual requirement for officers will be approximately 1,100 per year, 60% of whom we hope will be university graduates.

CANADIAN ARMED FORCES—RECRUIT INTAKE

Question No. 1,109—**Mr. Forrestall:**

What is the ratio (numerical rather than fractional) of recruits as to enlisted personnel required in the Armed Forces to maintain an adequate complement?

Hon. Donald S. Macdonald (Minister of National Defence): Approximately one to eight.

* * *

QUESTION PASSED AS ORDER FOR RETURN

CMHC LOANS AND GRANTS, 1968-70

Question No. 785—**Mr. Carter:**

1. By province, what CMHC grants and loans, of all kinds, were made during the years 1968, 1969 and 1970?

2. How was the $200 million dollar special fund announced in 1970 for experimental and innovation in new housing techniques distributed?

Return tabled.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

GOVERNMENT POLICY RESPECTING FOREIGN INVESTMENT —NEW MEASURES TO ASSIST SLOW-GROWTH AREAS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Finance concerning unemployment, perhaps especially in the province of Quebec. In view of the importance the government of the province of Quebec is attaching to foreign investment in the creation of badly needed employment in that province and, indeed, has been looking as much to New York as to Ottawa in that regard, is it the policy of the government to encourage such foreign investment or is it the intention of the

government to restrict such foreign investment in Canada?

Hon. E. J. Benson (Minister of Finance): My hon. friend knows that there are very few restrictions on foreign investment in Canada at present and that the government's future policy with respect to foreign investment is being studied by my colleague, the Minister of National Revenue. The government will be making a general statement in this regard in due course.

Mr. Stanfield: I should like to ask the minister whether he proposes to remove the uncertainties existing in the minds of foreign investors with regard to policies of ownership and taxation, and can the minister indicate whether there is any way in which a foreign investor can get an answer today from the government of Canada with respect to either of these questions?

Mr. Benson: With respect to the problem of foreign investment in Canada there are, as my hon. friend knows, very few limitations on foreign investment in Canada. With respect to the matter of future tax policy in the country, we have undertaken to bring forward legislation with respect to tax reform in the near future.

Mr. Stanfield: In view of the retroactive measures that the government has adopted, that assurance may not be of any comfort to anybody. I should like to ask the Minister of Regional Economic Development whether, in view of what can properly be described as the failure of his policies in areas of slow growth such as the Gaspe and others, he proposes to do anything to remove these uncertainties, and in particular whether he proposes to introduce any new measures to encourage such areas of slow growth?

Mr. Speaker: Order, please. The Leader of the Opposition will appreciate that a question couched in such terms is not in order, but the matter being of wide general interest the minister might wish to reply to the question.

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I feel the hon. leader of the opposition should perhaps look at the statistics on the results of the programs adopted by the department; he would then see how many jobs have been created and how much money has been spent, specifically in his province. However, that does not meet the needs of the economy generally speaking, and simply stating without any reservations whatsoever that our programs have been a failure is really akin to irresponsibility—

* * *

[*English*]

FINANCE

PROPOSED FOREIGN TAKEOVERS—CRITICISMS BY BANK PRESIDENTS—REMOVAL OF EXEMPTION PROTECTING BANKS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I should like to direct a question to the Minister of

Finance. In view of the statements made by certain bank presidents in New York criticizing the government of Canada for interfering with certain foreign takeovers, I should like to ask the minister if the Canadian Bankers Association or the two bank presidents in question have ever made any representations to the government asking the government to remove the exemption which protects the banking fraternity against foreign takeovers?

Hon. E. J. Benson (Minister of Finance): I heard some reference to this government in exile speaking over the weekend. I have asked for a transcript of what was said.

INCREASE IN CHARTERED BANK SERVICE CHARGES—AMENDMENT OF COMBINES INVESTIGATION ACT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I address a supplementary question to the Prime Minister. In view of the fact that the banks, in toto, are going to raise the charges to their customers by very large amounts, and in view of the fact that both the Minister of Consumer and Corporate Affairs and the Minister of Finance have said they have no jurisdiction over the banks in this regard, is the government planning to bring in any legislation which would bring the chartered banks of Canada within the ambit of the Combines Investigation Act?

Right Hon. P. E. Trudeau (Prime Minister): It is usual for the House to wait for the bill to be introduced to know what it will contain. I cannot add anything to what was said the other day by the Minister of Consumer and Corporate Affairs, that this matter was being looked into as the result of the study on combines which was made by the Economic Council of Canada.

Mr. Max Saltsman (Waterloo): I have a supplementary question for the Prime Minister. Was the parliamentary secretary reflecting government policy when he said that perhaps we should be considering nationalizing the banks?

Mr. Speaker: Order, please. The question is not in order.

[*Later:*]

ALLEGED DISCOURAGEMENT OF BUSINESS EXPANSION DECISIONS BY GOVERNMENT ECONOMIC ACTIVITIES

Hon. George Hees (Prince Edward-Hastings): I have a question for the Minister of Finance. In view of the statement by the heads of Canadian chartered banks in New York last week to the effect that the activities of the federal government in nine specific economic fields have discouraged Canadian businessmen from making the decisions which are necessary for the satisfactory expansion of their operations, is the government reconsidering its policies in these fields so that it may help rather than hinder this expansion which is so necessary to fight unemployment?

Hon. E. J. Benson (Minister of Finance): I think my friend should also ask for a transcript of what was said. It was not a statement by eight presidents of chartered banks but rather various statements by one or two about various aspects of the Canadian economy.

Mr. Hees: Is the minister aware of the fact that the following expression appears in quotes in the statement, that the Canadian government is scaring the daylights out of business and that they are not going ahead, therefore, to make the decisions that are necessary?

* * *

[*Translation*]

LABOUR CONDITIONS

UNEMPLOYMENT—STATEMENT BY GOVERNOR OF BANK OF CANADA

Mr. Oza Tétrault (Villeneuve): Mr. Speaker, I should like to put a question to the Prime Minister.

Could he tell the House whether he intends to take efficient steps against unemployment in contrast to the request made by the head of high finance, the Governor of the Bank of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am not aware that the Governor of the Bank of Canada has rejected fiscal or monetary policies as a way to attack unemployment.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I want to put a supplementary question.

I wonder whether the Prime Minister has quite understood the question of the hon. member for Villeneuve who did not mention the Governor General of Canada but the Governor of the Bank of Canada. Could the Prime Minister say—

Mr. Speaker: Order.

Mr. Laprise: Here is my supplementary question, Mr. Speaker.

Could the Prime Minister say whether the statement by the Governor of the Bank of Canada was made at the request of the Prime Minister and of the Canadian government?

Mr. Trudeau: Of course not, Mr. Speaker, except that the law obliges the Governor to submit an annual report and as required under the act he did submit it to the Minister of Finance. Obviously, neither the Minister of Finance nor any other cabinet member have dictated this report to the Governor of the Bank of Canada.

Mr. Laprise: Mr. Speaker, may I ask a supplementary question?

In view of the minister's statement dealing with unemployment in Canada, is the Prime Minister ready to tell us if, following the statement of the Governor of the Bank of Canada, we can expect the government not to heed the requests of the Canadian public to solve, once and for all, this problem of unemployment in Canada?

[*English*]

REGIONAL ECONOMIC EXPANSION

NORTHERN SASKATCHEWAN—APPLICATION FOR GRANT TO CONSTRUCT PULP MILL

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Minister of Regional Economic Expansion. It has to do with an application made by the government of Saskatchewan for some $12 million for the building of a major undertaking in northern Saskatchewan, which will constitute the largest pulp mill in Canada, in which Parsons and Whittemore of New York, have the largest interest with the government of Saskatchewan having a small interest. The application was made some time ago and the delay is making it very difficult to get the work under way, as it should be, before the break-up in the spring. The matter has been before the minister for some time. Will he tell the House what the present position is?

Hon. Jean Marchand (Minister of Regional Economic Expansion): The application is being processed by the department. I think it will be forwarded to the Treasury Board in the coming days. As soon as it is approved by the cabinet, we will give an answer to the company.

Mr. Diefenbaker: Will the minister do something about rushing this matter? It has been before his department since January and it is the largest industry for which Saskatchewan has ever applied. With assistance going to other parts of Canada, Saskatchewan would like to be included.

Mr. Speaker: Order, please.

* * *

NATIONAL SECURITY

PUBLIC ORDER (TEMPORARY MEASURES) ACT—COMMUNICATION FROM QUEBEC ON EXTENSION OR EXPIRY

Mr. David MacDonald (Egmont): My question is for the Minister of Justice. Can he inform the House whether he has received any communication either from the Attorney General or the Premier of Quebec pursuant to a cabinet meeting which is supposed to have taken place last Friday to discuss the possible extension or perhaps the natural expiry of the Public Order (Temporary Measures) Act?

Hon. John N. Turner (Minister of Justice): No, Sir, I have not.

Mr. MacDonald (Egmont): In view of previous answers given to this and similar questions, can the minister inform the House whether it is the intention of the federal government to act automatically on the request of the government of Quebec, or whether prior to any such request being received either he or the Prime Minister will take a position on this important matter?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the attitude of the government of Quebec is only one of the factors which the government will take into consideration.

Mr. MacDonald (Egmont): Mr. Speaker, in view of that answer by the Minister of Justice I wonder when either he or the Prime Minister will make a statement on motions indicating what other factors will be taken into consideration in the making of this decision?

Mr. Turner (Ottawa-Carleton): Parliament will be taken into our confidence very soon, Mr. Speaker.

* * *

HEALTH

STEPS TO COUNTERACT PHARMACEUTICAL INDUSTRY PROPAGANDA AGAINST USE OF GENERIC DRUGS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. What steps does the Food and Drugs Directorate intend to take to counteract pharmaceutical industry propaganda against the use of properly tested generic drugs?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the hon. member may have noticed the announcement concerning the actions we are taking. One is that we are giving quality assurance with respect to many drugs. This has been going on for several months. We are advising the doctors, and everyone else on our mailing list, of our investigations so they can use their own discretion and thereby put more emphasis on low-cost drugs.

Mrs. MacInnis: May I ask when the first reports will be available on the directorate's testing of all brands of the 25 top selling drugs on the Canadian market?

Mr. Munro: Progressively over a period of a year. As we test them, gradually we make the results known.

* * *

CAPE BRETON DEVELOPMENT CORPORATION

PAYMENT OF UNEMPLOYMENT INSURANCE BENEFIT INCREASE TO MINERS

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I wish to direct a question to the Minister of Labour. Does the Minister of Labour intend to see that the 10 per cent increase in UIC benefits, granted in January, will be paid to the miners and not to Devco?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I think the idea is a good one, but the question should be put to the proper minister, the Minister of Regional Economic Expansion.

Mr. MacInnis: As a supplementary question I would ask the Minister of Labour why he is deliberately deceiving me on this question?

Mr. Speaker: Order, please. The hon. member knows very well he cannot suggest that another member is deliberately deceiving him or deceiving the House, or deliberately deceiving any person. I am sure that the hon. member, who has had numerous exchanges with the Minister of Labour in this regard, would not want to impute that there is an attempt on the part of the minister, or of any member of this House, to deceive him deliberately in this or any other regard.

Mr. MacInnis: Mr. Speaker, I rise on a question of privilege. I stand here in this House and confirm that the truth is stronger than our rules. To support this question of privilege I quote from the minister's own handwriting which reads:

If you ask me if Devco will absorb increase of 10 per cent of UIC benefits effective January 1/70—

He should have said January 3, 1971.

—I will answer that I intend to make certain that this extra monies go to the people it was intended for—the people and not the company.

The miners, and not the company. I am sick and tired of having the minister in charge of UIC benefits trying to pass on questions within his jurisdiction to the Minister of Regional Economic Expansion, who has no business at all dealing with the UIC. I repeat that the minister has deliberately deceived me on this.

Mr. Speaker: The hon. member is not permitted to say that.

Mr. MacInnis: I have said it.

Mr. Speaker: Order, please. The hon. member has some obligation, as do all other members of this House, to respect the rules and the practices of the House. Even if a member feels very strongly about a matter, even if he feels he should go as far as he can to promote a cause, he has no right to violate the rules of the House which command hon. members not to accuse another member of the House of deliberately deceiving him. Perhaps the minister might like to reply.

Mr. Mackasey: Mr. Speaker, I have listened with a great deal of interest to the letter which was described as in my own handwriting, and I stand by that letter. I do think that the unemployment insurance increase of 10 per cent should go to the miners and not to Devco. I challenge the hon. member to put a question to the appropriate minister—he may be surprised by the answer—if he is not just interested in making political propaganda out of this matter.

Mr. Speaker: Order. At the same time the minister is deserving of a suggestion from the Chair. He has no right to suggest that another member is asking a question or is making a statement with motives. I also suggest that the minister and the hon. member should have a conference about this matter. I realize that they have been discussing it together from time to time, but there should be some way in which the matter can be resolved.

Some months ago, by unanimous consent, the House agreed to send this very serious matter to a committee of the House, and I was hoping that the very difficult situation might be resolved before now. However, that still does not make it possible for the hon. member for Cape Breton-East Richmond to say that another member has deceived him deliberately, and that it does not make it possible for the minister to impute motives to another member. I hope both hon. members will find it possible to indicate that they did not intend to make such statements.

Mr. MacInnis: On a point of order, Mr. Speaker, I would respectfully ask for a ruling on whether any minister can shift the responsibility for answering questions on matters which come under his jurisdiction to another minister? In other words, are we now permitted to ask any minister in the House questions on any subject, or should questions be restricted to the jurisdiction of a minister?

Mr. Speaker: The hon. member cannot ask for a ruling in general or in theory. The hon. member knows, as do all hon. members, that a ruling was made a long time ago that questions can be answered only by ministers who have responsibility for specific fields of administrative duty. I have made that ruling myself on a number of occasions. I make it again today.

Sometimes it is very difficult for the Chair to determine which minister has a particular responsibility, but I think the Chair is entitled to accept the word of a member of the cabinet that a certain question does not fall under his jurisdiction. If a minister makes that kind of statement, I think the Chair is authorized to assume that it does not come under his jurisdiction. This is the ruling which I am making, and which has been made previously by the Chair on a number of occasions.

Mr. Norman A. Cafik (Ontario): Supplementary—

Mr. Speaker: Order. I am not sure whether the hon. member's contribution is supplementary to the point of order, the question of privilege, or the question raised originally by the hon. member for Cape Breton-East Richmond.

Mr. Cafik: Mr. Speaker, I am rising on a question supplementary to the one asked by the hon. member for Cape Breton-East Richmond, and I would like to direct it to the Minister of Regional Economic Expansion. Will the minister assure the House that the full benefits of the unemployment insurance increase will, in fact, be made available to the Devco workers?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, there has been a meeting of the Board of Directors of Devco these last few days, and it has been decided to grant full benefits to retired workers. There was never a question of deducting from workers' pay cheques any amount whatever from unemployment insurance. There has merely been a question of deducting from the contribution to the pension fund by Devco the supplementary amount paid by the Unemployment Insur-

ance Commission. That is why the matter comes under the jurisdiction of my department.

[*English*]

Mr. MacInnis: Mr. Speaker, before I put my supplementary I would very much like to thank the Minister of Regional Economic Expansion for the statement he has made with respect to full benefits.

Mr. Speaker: Order, please. Before the hon. member asks a question I think he has a responsibility to this House, and to the Chair, to recognize that his words have gone a little too far in accusing a minister of deliberately deceiving him. In 100 years of parliamentary history that has never been accepted as a parliamentary term. It should be possible for the hon. member to co-operate with the Chair and amend his suggestion. It has always been possible to suggest that an hon. member has misled a member or has misled the House. I would suggest that perhaps the hon. member might give some thought to making a distinction on that basis.

Mr. MacInnis: I would like to follow up the supplementary question I—

Mr. Speaker: Order, please. The hon. member has no right to ask a supplementary until he has indicated whether he intends to accept the suggestion the Chair has made, which is a very reasonable suggestion. The hon. member knows that an attempt is made by the Chair at all times to co-operate with hon. members and to make it easy for them to make their points when they are representative of the views of the people they represent. I suggest very candidly, honestly, and with all good will to the hon. member, that it would be very easy for him at this point to indicate that perhaps his words went a little too far and that he would be satisfied to say that, although he has been misled, or the House has been misled, he has not been misled intentionally or deliberately.

Mr. MacInnis: With all due deference, Mr. Speaker, I sincerely apologize to you for putting you on what might be considered a very touchy spot. Nevertheless, I know you will handle it properly and I will probably wind up before a committee of this House, but I stand here now and maintain that the truth is stronger than any rules of this House.

Mr. Mackasey: Mr. Speaker, perhaps I did not hear too well over here but I found nothing particularly offensive in the hon. gentleman's remarks. The Scots and the Irish have mental telepathy, and I understand that the hon. gentleman's main concern has been the miners of Devco. He has communicated with me on half a dozen occasions, both verbally and in writing and I am quite satisfied with the turn of events. The important thing is that the workers of Devco, through my representations to my colleague and representation by other members, will receive, although there is no legal obligation on the part of Devco, the 10 per cent increase in unemployment insurance benefits. I am quite prepared and happy to let the matter rest there.

Mr. Speaker: Order, please. I am not entirely satisfied with the suggestion made by the minister.

Some hon. Members: Hear, hear!

Mr. Speaker: I really do not think it is for the minister or the person who perhaps has been aggrieved to say that he will not pursue the matter. It is not the minister who has been offended, it is the Parliament of Canada.

Some hon. Members: Hear, hear!

Mr. Speaker: I doubt very much whether we can allow this kind of incident to go without notice. It certainly is most unpleasant for the Chair. The hon. member has always been kind to the Chair and has co-operated with me, but at the same time he must realize that there are limitations to what can be done and what cannot be done. I have invited the hon. member to co-operate with me. I wonder whether the hon. member might not like to take into account the words of peace extended by the minister. The minister has indicated that he is prepared to forget the incident. It seems to me this is a good basis on which we might forget about the matter. If the hon. member were to take the same generous position as the minister, I think we could go on to pursue the business of the House. I would invite the hon. member to give this some thought. I am sure he has it in his heart to be as generous in this regard as the minister has been. I would invite him to do this.

Mr. MacInnis: Mr. Speaker, it is very hard to resist your appeal and on the basis of the words of the Speaker I would apologize to the Chair. I hope that this apology will stir the committee into meeting on this very serious matter in Cape Breton. There have been only two committee meetings since the petition was put before the House. That petition having been accepted by the House, I think it is time this government gave justice to the miners of Cape Breton because I have been pursuing this matter for three years.

Mr. Speaker: The hon. member has been generous enough to tender an apology, and I doubt whether we should go any further. I realize it is not easy, when an hon. member feels he is really fighting as objectively and strongly as he can for the people he represents, to go further than the hon. member has done in this instance. I can assure the hon. member and the House that I am satisfied, but I hope he will keep it in mind that if the same words are repeated, and the same incident happens, I will have to take the same stand and ask for withdrawal, apology or rectification, which the hon. member has been generous enough to make.

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—AVAILABILITY OF GUIDELINES AND APPLICATION FORMS—NUMBER TO BE EMPLOYED

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to ask the Secretary of State whether the

guidelines and application forms necessary for those interested in participating in the Opportunities for Youth program are ready? Have they been made available to prospective applicants in the various cities of Canada and, if so, can they be made public by the minister today?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker. Besides, information concerning this program and the conditions for participating will be made known to hon. members within a few hours.

[*English*]

Mr. Orlikow: Mr. Speaker, I should like to ask the Secretary of State whether he can give the House an estimate of the number of students who will be employed this summer under the program and the length of such employment. Has the government calculated this?

[*Translation*]

Mr. Pelletier: Unfortunately, Mr. Speaker, I am unable to give an estimate concerning the Opportunities for Youth program, due to the fact that on the one hand, some people will be involved in this program as mere participants while on the other hand, some young workers will be paid to accelerate, improve and promote this participation. It would not be therefore without some misgivings that I would at this time attempt to give an estimate the inaccuracy of which could justifiably be criticized by the hon. member should my projection happen to be false.

[*English*]

PLANS RESPECTING PROVISION OF SUMMER HOSTELS FOR TRANSIENTS

Mr. Lorne Nystrom (Yorkton-Melville): I have a supplementary question for the Secretary of State, Mr. Speaker. In view of the statement that the government will support local initiative in connection with youth hostels, can the minister give the House any more details of the government's plans regarding summer hostels for young transients?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, an objective of 200,000 bed nights was mentioned, and this objective will be achieved through local, municipal and provincial initiative, with the help of special funds provided for this purpose in this year's summer employment program.

[*English*]

TIME LIMIT ON APPLICATIONS UNDER OPPORTUNITIES FOR YOUTH PROGRAM

Mr. Colin D. Gibson (Hamilton-Wentworth): I should like to ask the Secretary of State whether there is a fixed time limit for applications under the Opportunities for Youth program to be filed in Ottawa?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, there is no set date, but for those who wish to submit projects, the best time would be "as soon as possible, if not sooner", as the saying goes, and certainly not later, at any rate, than April 15 next.

[*English*]

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, the April 15 deadline was the date I was going to suggest. I thank the minister.

OPPORTUNITIES FOR YOUTH PROGRAM—METHOD OF ALLOCATING FUNDS

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question, Mr. Speaker. Can the minister state whether the moneys available for the Opportunities for Youth program will be allotted on a first-come, first-served basis or on a regional basis? Are there regional ceilings or provincial ceilings on the moneys available or will this aspect be covered in the press release?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I have not heard the last words spoken by the hon. member. To his first question, my answer is that all the factors he mentioned will be taken into consideration, according to some order of priority, but not necessarily the order in which they were listed by the hon. member.

[*Later:*]

PLANS RESPECTING PROVISION OF SUMMER HOSTEL FOR TRANSIENTS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to ask the hon. Secretary of State a question concerning his hostel program for transient youth. Could he tell the House whether he has met with Quebec authorities with regard to this hostel program for transient youth which, it would seem, is exclusively under provincial jurisdiction since it is connected with education?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, we have not had a special meeting devoted to the matter of young people's hostels, but we have had meetings where this matter was brought up. The government of the province of Quebec has agreed, as we were agreed before, that hostels for transient youth providing studying, education and folklore training facilities, etc., may and in fact do come under provincial authority at the present time. But the provinces, Quebec included, also admitted that federal authorities are responsible for setting up shelter-type hostels where the stay is limited to one or two nights and which would allow all young Canadians to travel across the country.

[*English*]

OPPORTUNITIES FOR YOUTH PROGRAM—PUBLICIZING OF INFORMATION IN ISOLATED AREAS

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Secretary of State arising from the statement he made that applications for summer employment should be in by April 15. Can he say whether, in this regard, his department is conferring with any other department, such as the Department of Indian Affairs and Northern Development, in order to bring this information to people in isolated areas who may not learn of it by April 15 unless it is brought to their attention by one of those departments?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker.

* * *

[*English*]

LABOUR RELATIONS

REFUSAL OF RAILWAYS TO ACCEPT CONCILIATION BOARD REPORT ON DISPUTE WITH LOCOMOTIVE ENGINEERS—DEPARTMENTAL ACTION

Mr. Warren Allmand (Notre-Dame-de-Grâce): I have a question for the Minister of Labour, Mr. Speaker. After 15 months of negotiations between the railway companies and the locomotive engineers, has the minister received news that the railway companies have turned down the recent report of the conciliation board? If so, will the minister state what action his department is taking to bring the parties together?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, a report has been made by the conciliation board which has been released. It places the unions in a strike position within a reasonable period, about a week, and the companies in a lockout position. I would anticipate the next step to be mediation.

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AGRICULTURE

INTERPROVINCIAL MARKETING—REQUEST FOR REFERENCE TO SUPREME COURT

Mr. J. H. Horner (Crowfoot): Mr. Speaker, may I address a question to the Minister of Justice. It arises out of the question I asked him last week. Has he, since then, read the decision handed down by the Manitoba Court of Appeal with regard to the interpretation of section 121 of the British North America Act, and is he now prepared to say whether he will permit a reference to the Supreme Court of Canada on the interpretation of that section?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, yes, I have, but I am not in a position, until I have received further advice from the officials of the department, to say what action we are going to take. The position, as I see it at the moment, does not differ from the statement that I made earlier to the House, that in order for there to be a successful reference to the Supreme Court of Canada there must be agreement not only on what questions of law are to be determined by the court but there must also be agreement on the facts. Speaking to the latter situation, we have no satisfactory statement of agreed facts.

Mr. Horner: Mr. Speaker, is the minister not aware of the old saying that where there is a will there is a way? If he does not act, western Canada will become convinced that there is no will.

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FINANCE

INCREASE IN CHARTERED BANK SERVICE CHARGES—REQUEST FOR REFERENCE TO COMMITTEE

Mr. Max Saltsman (Waterloo): Mr. Speaker, may I direct a question to the Minister of Finance. In view of the great concern being voiced by the public and members of the House of Commons about the increase in service charges by the chartered banks of Canada, would he refer this issue to the Standing Committee on Finance, Trade and Economic Affairs?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I do not think, really, that it would be proper to make such a reference, but I will be glad to consider the matter.

Mr. Saltsman: Mr. Speaker, while the minister is considering this question, would he also consider asking the committee to look into the behaviour of the banks in terms of making irresponsible statements on government policy?

* * *

GRAIN

INQUIRY AS TO POLICY RESPECTING FARM STORAGE

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, may I direct a question to the minister responsible for the Wheat Board. Since he is advocating that 200 million bushels of wheat less should be held in commercial positions and that a comparable amount of barley should be on hand for potential sales and since there will be an increase in rape grown, thus creating a storage problem for farmers, will the minister be announcing a policy dealing with farm storage?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the amount of grain in storage at the present time may not necessarily increase. The hon. member is right in referring to some indications that we probably could have a larger inventory of barley compared with our overly large inventory of wheat for sales in future, but the total situation need not worsen.

Mr. Korchinski: Mr. Speaker, may I direct a supplementary question to the Minister of Finance. Despite the assurances by the minister responsible for the Wheat Board, will the minister consider reducing the 12 per cent sales tax and, in addition, introducing legislation which will provide for low interest rates in connection with farm storage which will become necessary?

Inquiries of the Ministry

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am not sure that I understand the purport of the question. If my hon. friend is asking that I abolish the general sales tax in Canada, I may say that it is not our intention to do so.

PRAIRIE GRAIN STABILIZATION PLAN—REPAYMENT OF CASH ADVANCES FROM TRANSITIONAL PAYMENTS

Mr. John Burton (Regina East): Mr. Speaker, may I direct a supplementary question to the minister in charge of the Canadian Wheat Board. Does the minister intend to force farmers to pay back outstanding cash advances from the $100 million payment which is to be made and which he announced last week?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, it might be ordinary practice to require any defaults to be taken into consideration, but certainly ordinary, outstanding indebtedness under cash advances will not be offset against the payments.

* * *

REGIONAL ECONOMIC EXPANSION

RENEGOTIATION OF PRINCE EDWARD ISLAND DEVELOPMENT PLAN BY FEDERAL AND PROVINCIAL GOVERNMENTS

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I direct a question to the Minister of Regional Economic Expansion. Is he now in a position to answer the question I asked last Thursday, which the Prime Minister took as notice on his behalf, regarding any request from the government of Prince Edward Island to renegotiate the comprehensive development plan operating in that province in light of the very high level of unemployment existing there which is now, I believe, above 13 per cent?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, the program concerning Prince Edward Island is under constant review to keep up with new developments. We are always in touch with that government and after all it is rather encouraging to see that this year the unemployment rate is lower in Prince Edward Island in spite of the situation in Canada in general.

[*English*]

[*Later:*]

Mr. David MacDonald (Egmont): Mr. Speaker, may I ask a question that is supplementary to the original question. I think, first of all, that the minister's information is wrong. Unemployment is higher—

Mr. Speaker: Order, please. The hon. member has the floor for just a few seconds. We are fast reaching the end of the question period.

Mr. MacDonald (Egmont): In view of the clearly stated implications that the plan would be renegotiated shortly, as agreed when the plan was originally signed, may I ask what provision the minister is making for public submissions from the people of Prince Edward Island with respect to the effectiveness of the plan and possible alterations in it?

[*Later:*]

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I do not know if both governments have agreed to hear the parties concerned. I will inquire about it. As for myself, I have no objection.

[*English*]

REPORT OF ATLANTIC ADVISORY COUNCIL ON OPERATION OF ACT

Mr. John Lundrigan (Gander-Twillingate): A supplementary question, Mr. Speaker. Since unemployment in one province is substantially higher, can the minister say if he has received the report of the Atlantic Advisory Council and its review of the Regional Development Incentives Act which was intended to try to upgrade the effectiveness of that Act in one province in eastern Canada? If not, can he say when we will receive the report?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I think that the department has received this report which is now under consideration. As soon as we are in a position to draw conclusions, we will inform the House accordingly.

* * *

[*English*]

INDUSTRY

INQUIRY AS TO STATEMENT ON CANADIAN PUBLISHING ASSOCIATION PROPOSALS—ASSISTANCE TO PUBLISHERS OF SCHOLARLY AND ARTISTIC WORKS

Mr. Doug Rowland (Selkirk): Mr. Speaker, my question is for the Secretary of State. May I ask if he has had time to consider the proposals put before him by the Canadian Publishing Association on March 2? If so, when may we expect a statement in the House about proposed government action relating to those recommendations?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I can only answer that the conclusions drawn from those consultations are still under consideration, but I cannot say when a statement will be made on motions.

[*English*]

Mr. Rowland: Has the minister requested the Humanities Research Council and the Canada Council to consider ways and means of assisting the publishers of scholarly and artistic works in Canada, and enhancing that assistance?

[*Translation*]

Mr. Pelletier: Mr. Speaker, both councils took part in our consultations with the publishers, so they are perfectly aware of both updated requirements and available resources.

[*English*]

PUBLIC SERVICE

COST OF PROGRAM FOR HIRING FRANCOPHONE UNIVERSITY GRADUATES

Mr. E. B. Osler (Winnipeg South Centre): Mr. Speaker, my question is for the President of the Treasury Board. Will the $2 million referred to for the program within the ten departments be spent on all 1,250 recruits for the Public Service or only on the one-quarter who are Francophone?

Hon. C. M. Drury (President of the Treasury Board): No, Mr. Speaker. The sum in question relates entirely to the 276 Francophone persons I have mentioned.

* * *

IMMIGRATION

INQUIRY AS TO TABLING OF WHITE PAPER

Hon. Marcel Lambert (Edmonton West): My question is directed to the Minister of Manpower and Immigration. For some time now the minister has been promising the House a white paper on immigration and matters dealing with the Immigration Appeal Board. From time to time he has told us that this will be forthcoming. Is the minister now in a position to tell the House when this document will be forthcoming?

Hon. Otto E. Lang (Minister of Manpower and Immigration): That was not exactly the way or what I have been promising, Mr. Speaker. I hope that legislation dealing with the Immigration Appeal Board and some related amendments will be before the House before long.

* * *

PUBLIC SERVICE

METHOD OF PAYMENT OF UNIVERSITY GRADUATES HIRED OTHER THAN UNDER FRANCOPHONE PROGRAM

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): My question is for the President of the Treasury Board. Of the 1,250 post-secondary graduates the minister referred to in his statement of October 25, including the 276 who are to be looked after by a special contingency vote, how are the balance to be provided for?

Hon. C. M. Drury (President of the Treasury Board): The balance will be part of the main estimates, Mr. Speaker. Provision will be made through the main estimates for the approximately 1,000 which it was contemplated earlier would be recruited in the Public Service this year.

Mr. Speaker: Order, please. The hon. member for Winnipeg South Centre apparently has a supplementary question. With the consent of the House, he will be recognized. I suggest that further questions might be asked tomorrow.

PROGRAM FOR HIRING FRANCOPHONE UNIVERSITY GRADUATES—LANGUAGE QUALIFICATION

Mr. E. B. Osler (Winnipeg South Centre): Will completely bilingual applicants of merit be recruited for the 276 jobs referred to or only those whose mother tongue is French?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I think it should be made clear that preference will be given to those whose mother tongue is French. What is being sought is a twofold objective: one, to increase the representation of the French-speaking linguistic community in the Public Service and, two, an ability to efficiently work creatively in the French language.

Mr. Speaker: Orders of the day.

• (3:40 p.m.)

GOVERNMENT ORDERS

TEXTILE AND CLOTHING BOARD ACT

PROVISION FOR ESTABLISHMENT, INQUIRIES, REPORTS, ADJUSTMENT ASSISTANCE FOR WORKERS

The House resumed, from Thursday, March 18, consideration of Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Is the House ready for the question?

Some hon. Members: Question.

Mr. Speaker: The question is on Motion No. 2 (Mr. Horner). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: All those in favour of the motion, will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Speaker: Pursuant to Standing Order 75(11), the recorded division on the proposed motion stands deferred.

Textile and Clothing Board Act

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved motion No. 3:

That Bill C-215, An Act to establish the Textile and Clothing Board and to make certain amendments to other Acts in consequence thereof, be amended by striking out lines 45 to 48, inclusive, in subclause (2) of Clause 17 at page 7 thereof and by substituting therefor the following:

"an interim basis pending its evaluation of the plans."; and by adding immediately after sub-clause (2) of Clause 17 at page 7 the following:

Full report to follow

"(3) Where the Board makes a report under subsection (2) recommending that special measures of protection be implemented immediately, the Board shall, not later than one hundred and eighty days after the making of that report, make a written report to the Minister as required under subsection (1) containing its recommendations with respect to the textile and clothing goods that were the subject matter of the report under subsection (2)."

and by renumbering subsequent subclauses accordingly.

He said: Mr. Speaker, I shall be very brief. Since this amendment has been proposed, as you said, by me, it is normal that it be the subject of certain explanations on my part.

The first part of the amendment reads as follows, in English:

[*English*]

—an interim basis pending its evaluation of the plan.

[*Translation*]

That is just going back to the original wording of the clause.

The second part, i.e. new Clause 17(3) is an amendment to implement more directly and slightly alter the concept or intention the hon. member for Edmonton West (Mr. Lambert) had in mind when submitting his amendment which was adopted by the Committee on Finance, Trade and Economic Affairs.

The hon. member said at that time that it mattered little to him whether the period were to be 90 days or more. Besides, I have already consulted the hon. member for Edmonton West about our amendment and I am under the impression that he was in agreement with our proposal: a limit of 180 days instead of 90 days, to keep in line with the time limit prescribed for application of the surtax under Section 7(1)A of the Customs Tariff. The surtax could be one of the instruments resorted to in case of emergency, as described in Clause 17(2).

We believe that this amendment which reflects the ideas of the hon. member for Edmonton West is a good one and I thank him for it. It states that a final report should be presented, prepared within one hundred and eighty days following an interim report and that interim measures will be taken only under unusual circumstances and not to delay the recommendation of the government's Board.

[*English*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, in answer to the comments of the Minister of Industry, Trade and Commerce (Mr. Pepin), I must thank him for his co-operation with regard to this clause, although I would like to elaborate on why I insisted on a ninety-day delay at the beginning.

The hon. minister used another criterion based on customs tariff, while I based my argument on the Anti-dumping Act. Actually, we are dealing with two parallel situations. According to the Anti-dumping Act, the tribunal has 90 days to complete its report, if abuse is involved; in fact, the duty of the textile board or advisory committee is of the same nature—to determine if there is abuse. And there are probably surveys now being taken about other plans.

I have no intention of quarrelling with the minister, but I would like to show him why I did relate the time period to the Anti-dumping Act instead of the customs tariff.

As to that, I think that the objective has been reached and that there will be no endless waiting period; on the contrary, a deadline will be established and the Board will have to hurry and complete its work or at least advance it rapidly enough.

So, Mr. Speaker, I welcome this new amendment from the minister now that we both have had an opportunity to let our thoughts mature.

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

Some hon. Members: Agreed.

Motion no. 3 (Mr. Pepin) agreed to.

Mr. Speaker: The hon. member for Edmonton West (Mr. Lambert), on behalf of the hon. member for Crowfoot (Mr. Horner) moves motion No. 4 as follows:

That Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other Acts in consequence thereof, be amended by deleting the word "may" from Clause 24 in line 19 at page 11 and substituting therefor the word "shall".

Mr. Lambert (Edmonton West): Mr. Speaker, I am holding the fort. This amendment was put forward by the hon. member for Crowfoot (Mr. Horner) after his attendance in committee. What he is actually leading to is, rather than merely having a permissive power in so far as the actions of the board are concerned, it shall be mandatory.

• (3:50 p.m.)

I was not expecting to speak on this particular motion, Mr. Speaker. I have been advised that the hon. member for Crowfoot was attending a meeting of the Agriculture Committee which in its wisdom, I would say nonsense, insisted, upon the motion of the government majority that that meetings be held at this time when we are engaged on the report stage of this bill. He has to come over from the Committee on Agriculture, and I will hold the fort until he does.

Clause 24 reads as follows:

Reports of the Board to the Minister made under section 16 or 17, modified in such manner as in the opinion of the Board is necessary to give effect to section 23, may be published with the approval of the Minister.

It is important that one should pay attention to the particular wording. After all, clause 23 deals with confi-

dential information, and therefore the board has it within its power to amend any confidential information. Clause 23 reads as follows:

> Where information that is in its nature confidential, relating to the business or affairs of any person, firm or corporation is given or elicited in the course of any inquiry, the information shall not be made public in such a manner as to be available for the use of any business competitor or rival of the person, firm or corporation.

I think we would all agree with this. I am surprised the minister was not prepared to accept in committee the position taken by my hon. friend from Crowfoot in this regard because, after all, clause 23 is mandatory, so the board's report cannot contain any confidential information. The effect is, therefore, that the report to the board has already been cleaned up or has had removed from it anything which might be offensive to clause 23. What possible objection could there be in these circumstances to publication, and why should publication not be made mandatory?

The best the minister might say is that an enlightened minister would publish all reports which are prepared in the light of the wording of clause 24, because under clause 24 the board cannot include in its report any confidential information. The effect of clause 24 as now drafted is therefore, that there are two screens. First, the board may say: well, no, we are not going to present it for publication. Second, the minister may withhold his approval for publication of the report. In other words, there are two possibilities of withholding the report which conform with clause 23. The fact is, though, that I do not feel there should be this double obstacle. If the amendment of my hon. friend from Crowfoot is accepted, it means that the board would be directed to publish but the minister will still have some right of review to make sure that the information conforms with clause 23. It seems to me that while it may be said that this is not a particularly important point my hon. friend does have a good point here and I am quite prepared to support him. I did not say anything about it in committee, but since my hon. friend has raised the point now I can see that on balance, in the combination of clauses 23 and 24, the amendment makes eminent sense and I would so move.

Mr. J. H. Horner (Crowfoot): I apologize for being a few minutes late, Mr. Speaker. I thank the hon. member for Edmonton West (Mr. Lambert) for moving the amendment in my absence.

The essence of my submission here is contained in the old adage that it is not enough to be just, one must appear to be just. The question is, how can the public really determine whether the degree of protection advocated by the minister on the recommendation of the board has been correctly assessed unless the report itself is made public? If we read this bill carefully, we realize that provision is already made for the exclusion of confidential information. The minister also has a prerogative in this respect. In these circumstances, why is publication of the report being withheld? It is obviously not possible for the public to judge whether the minister has acted correctly on the basis of the report from the board unless the facts are available. As reported at page 15 of Committee Report No. 22, the minister had this to say:

> Let me answer in four parts. First of all, I will remind you what the powers of the Board are. The Board has final authority in determining injury, or threat of injury and in determining the value of the plans. When it comes to the degree of protection needed or not needed, they make recommendations to the Minister, and the Minister takes the ball from there.

Then, he went on to say:

> Dealing with your second point, during the research, during the inquiry the Board is making, I do not think the Minister will have contact with the Board—

He is really saying, here, that the inquiry will be carried out in an unbiased manner.

As reported on the following page, page 16, the minister outlines the Board's duties at length. Then, he goes on to say:

> Then I defend in public whatever decision the government takes. I am quite sure that I will not be able to escape that and I have no intention of doing so, either. Whatever the decision is, the associations, the groups that have taken a certain position during the inquiry, will either bless the government or attack it for the decision it has taken. So I presume my job will be to justify the decision of the government.

How can the public determine whether the minister was justified in reaching the decision he did if they are not given the facts? Suppose, for instance, the board were to recommend that certain imports be held up for a period of one month until further examination could be made to determine whether or not a section of the industry really did possess a viable international market. Suppose the board makes a lukewarm or hesitant recommendation involving some degree of protection, and the minister comes out blatantly for wholehearted protection for a longer period than the board itself had recommended. How can we know the real strength of the board's recommendation to the minister unless its recommendations are made public? Must we judge in the dark or shall we be able to judge from knowledge? Surely, any government which seeks to project a concept that it is dealing with educated people would wish to make the facts known so that the public could judge whether or not the minister was acting in a correct manner. I see the minister nodding his head in approval. I take it that perhaps he will accept my amendment to clause 24.

• (4:00 p.m.)

There is no specific reference in the amendment to confidential reports; it has reference to the publication of reports and whether a minister will make public published reports. The protection of certain industries in Canada may prove harmful to trade, and in most cases the minister will attempt to protect his decision making authority, I suppose, by making reports public only a long time after the issue in question has died, though the minister shakes his head. Since he is so concerned, I should like to read to the House a little more from the committee report because this point was brought up over and over again. In committee proceedings No. 15, the hon.

member for Coast-Chilcotin (Mr. St. Pierre), as reported at page 15:17, put this question:

> Would you permit a supplementary here? Is there any provision in this bill which obliges the board to make public the fact that it is about to give consideration to a matter and is there any provision for it to advertise its hearings so that interested parties may attend?

In other words, the hon. member is really posing two questions. Firstly, he wants the hearings to be advertised so that interested parties can attend, and he is also asking whether there is any provision that obliges the board to make the facts public. Then, the hon. member for Okanagan Boundary (Mr. Howard) said:

> There is provision for the board to make reports. There is one problem in the kind of detailed reports that are made, and that is that much of the information that is gathered is of a private commercial nature.

I am not advocating that reports of a private and confidential nature be published but that published reports be made public; it is as simple as that. Following a similar line of thought, the hon. member for Waterloo (Mr. Saltsman), after a lengthy argument over this concept, as reported at page 21:6 of committee proceedings No. 21 said:

> Thank you, Mr. Chairman. I tend to agree with the argument you make about the board receiving submissions from all interested parties, that the general rule be public hearings for each inquiry and that the decisions and the reasons be made public.

Those are two quotations from Liberal and NDP members. The minister nods his head in approval from time to time. Surely, we can reach a consensus on the issue that decisions of boards appointed by the government should, wherever possible, be made public, particularly in a touchy situation where, in effect, you are deciding that some industries shall survive and others shall die. Some industries need protection, and as I say that protection may well affect the export of other goods, particularly when protection is continually being asked for against goods brought in from what I might call the low cost producers, the Pacific rim countries that are buying so much of Canada's raw materials.

It may even be the case that tariffs will be raised for short periods. Unless the public is informed of the duration the minister may, even unknowingly, extend the protection for a longer period than the board intended. If the public is informed it can quickly draw to the minister's attention the fact the period recommended by the board has expired. If the minister believes in an informed public, he should accept this amendment.

The acceptance of this amendment would mean that we, as representatives of the people, would know of the board's recommendations and of the action the minister is taking. We could then judge whether those decisions and actions are based on sound recommendations, or whether they are narrow-minded policy decisions that are geared to protecting rather than expanding Canadian markets or to saving sick and ailing industries that the minister says he is not prepared to protect himself. We should be in a position to examine the reports of the board in order to determine whether, in our opinion, these industries are sick and ailing or, rather, viable industries that are capable of forming part of the hub of industries that trade internationally in textiles.

This bill revolves around the principle of greater rationalization in the textile industry. If we are to determine whether the decisions of the minister are based on rationalization rather than protectionism, we must have the reports of the board. These reports must be made public so that we can make a fair and accurate assessment of those reports and the minister's decisions.

Mr. F. J. Bigg (Pembina): Mr. Speaker, I wish to add my support for this simple but I think important amendment. Many of the duties of members of Parliament have now been assigned to committees and many of our public and civic responsibilities have been handed over to boards. This is why it seems to me imperative that we know what these boards are doing. Although I realize perfectly well that the final responsibility lies in the executive, it is very difficult for us to tailor the law so we are kept up to date with the multitude of regulations and decisions made by boards without full disclosure of the facts.

Although the committee system is supposed to streamline Parliament, in actual fact it means that a very small number of members of Parliament are intimately connected with many decisions that are made. It is true that the committee system should tend to streamline Parliament, but in the streamlining process I think we are tending to hamstring ourselves. Many times we in the House are told that legislation has passed committee. But the very strength of the parliamentary system lies in the fact that 264 members are able to probe the wisdom of the executive and of government appointed boards. If we had an all-knowing government, an all-knowing civil service and an all-knowing slate of boards, then we would not need a Parliament; but for well over 1000 years our people have found that the only answer to governments is an alert public, and we happen to be the representatives of that alert public.

We want to know on what recommendations decisions of the executive are based. It seems to me that this simple amendment now before the House strikes at the very heart of the democratic process. Although it is a privilege carefully to scrutinize the actions of boards and ministers, and of departments which have stripped us of a great many of our powers, it is impossible for us to keep a finger on everything that is taking place in this country unless reports of government appointed boards are published. These reports are prepared at public expense, often at great public expense, and many times the executive takes action on these reports having less intimate knowledge of the facts than the backbenchers of this House.

• (4:10 p.m.)

Often, the final decision is not ours at all. After a matter has been threshed out in committee and the committee has made its report, some board makes the final decision according to law. I might mention a few exam-

ples. In respect of the Board of Transport Commissioners what do we have to say about such things as changes in freight rates, changes in air fares or the elimination of services? Such decisions are made by the Board of Transport Commissioners. If this board, in certain instances, should make recommendations to the executive I believe we should know on what basis those recommendations are made. As the last speaker said, it is not good enough to have justice done. The public has a right to know it is being done and what the weighing process is. They want to know what tipped the scales in favour of this or that decision. As I said, it is not just our privilege to dig into these matters but our right. We intend to do this. I have no hesitation in supporting this particular amendment, and I would add what small voice I have to that of the hon. member for Crowfoot (Mr. Horner).

Mr. John Burton (Regina East): Mr. Speaker, it seems to me the amendment moved by the hon. member for Crowfoot (Mr. Horner) in respect of Clause 24 is a perfectly reasonable amendment. I intend to support the amendment and urge the government to go along with this change in the legislation. It may be a relatively small point in terms of the over-all framework of the bill, but nevertheless we think it involves some important questions. From the debate which has taken place on this bill, in the House, in the committee and now at the report stage, it is perfectly obvious that we are dealing with a very sensitive area of the Canadian economy. As legislators we are faced with a conflict of interest involving our need to promote export trade on the one hand, and the needs of the Canadian economy on the other hand. In addition, we must consider the needs of the 200,000 or so people who are dependent upon this industry for a livelihood. We do have a conflict of interest to resolve which poses some very difficult problems for the government, and which will pose very difficult problems for the board.

As has been noted, clause 24 gives the minister powers in respect of the publication of the report. A discretionary power is given to the minister to publish a report which may be abridged, as is considered necessary, to delete any confidential material. In respect of the proviso which is now contained in clause 24, which protects any information the minister may consider to be confidential, I believe it would be in the public interest, or in the interest of all concerned with this legislation, to ensure that there shall be reports and that the publication of the reports in whatever form shall be mandatory. I suggest this would assist the government in carrying through the principle of this bill, and in fact would lend itself to a greater degree of public confidence in the bill and in the operations of the board. Therefore, I would urge the minister to seriously consider this amendment and go along with other parties in approving it, thus improving the bill.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to congratulate those who took part in this short debate for the high quality of their intervention. I do not know how the hon. member for Crowfoot (Mr. Horner) spent his weekend, but his contribution was a great improvement over his performance of last Thursday. I say that with a smile and I know he can take it in a similar way.

It is difficult for me to answer the points raised because one is uneasy when he finds himself in the position of appearing to be against providing information to educate the public. If I am still in that position, it is after reflection, and I hope my argument will be accepted by my hon. friends.

First of all, may I repeat what I said on a number of occasions before the committee. It is the intention to publish all reports made under clauses 16 and 17 as soon as it will be possible to do so. It is the intention to publish them whenever it is possible to do so. There might be cases in which it would not be wise to do so. Let me give a couple of examples.

There might be situations, for example, in which the reports have been overtaken by events. This could very well happen. A report could be brought in and then events could develop which would make the report unnecessary. In this case, there would seem to be no purpose to be achieved in publishing the said report. Another example might be a situation in which there would be so much confidentiality in the report that, without the confidential material, it would be of little assistance. I might comfort my western friends on this point by saying that a similar situation occurs in respect of the National Energy Board which deals with a good western commodity, as we all know.

In any event this is my first line of defence for the position I take, which is one of opposition to the amendment. I have another point to make. The change suggested by the amendment from "may" to "shall" would not change anything unless a specific number of days were attached to the word "shall". If we were to say that the minister shall publish the report this would leave me as free not to publish it as if we said "the minister may". The change in words does not change anything in reality.

The only way to achieve a real change would be to say the minister shall publish the report in 190 days, 180 days or 90 days, which is a favoured period of my hon. friend from Edmonton West. If the suggestion should be that a specific number of days be indicated, then I would say that cannot be done for a number of reasons. Two situations might be created. The board might recommend to the government protection or non-protection. If the government should recommend non-protection, that non-protection may be given or may not be given by means of a decrease in the tariff. As Minister of Industry, Trade and Commerce I would want to bargain this concession with our trading partners. If the other countries with which I am trying to bargain know there is a recommendation to that effect from the textile and clothing board, I am not in a particularly good bargaining position.

If it should be the other way around, and the board should recommend protection for a period of time and of a certain type, then if this were known to foreign exporters and to Canadian importers, they might try their best to swamp the market fast enough to avoid

whatever decision in respect of protection the government might wish to take.

I have done my best to convince hon. members that the clause in the bill on publication of reports is not immoral and while being respectful of the axiom that Caesar's wife must not only be pure but appear to be pure, I have to anticipate the sort of problems which might occur.

Mr. Deputy Speaker: Is the House ready for the question? The question is on amendment No. 4, the hon. member for Crowfoot (Mr. Horner).

Some hon. Members: Question.

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

Some hon. Members: No.

Some hon. Members: Yes.

• (4:20 p.m.)

Mr. Deputy Speaker: All those in favour of the said motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: Pursuant to Standing Order 75(11) the recorded division on the proposed motion stands deferred.

Mr. Paul St. Pierre (Coast-Chilcotin): I move:

That Bill C-215 an act to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof, be amended by inserting immediately after clause 25 at page 11 the following:

"26. The minister shall, within ninety days after the coming into force of this act and every ninety days thereafter, or, if parliament is not in session, on any of the first thirty days thereafter that parliament be sitting, submit to parliament a report respecting the administration of the act."

and by renumbering subsequent clauses accordingly.

The purpose of this amendment, Mr. Speaker, is similar to that of the amendment just preceding it. Essentially, it is disclosure. It is not my purpose to prolong this debate. For one thing, we are aware that there are already quite a few jobless people in many parts of Canada as a result of a sag in the textile industry. The longer this bill is delayed, the longer the beneficial aspects of its provisions for the jobless will be delayed.

In speaking to the motion, I will also take into account statements made last Thursday regarding relevancy.

However, in order to explain why I feel that there should be frequent and continuing disclosures, which this amendment would oblige, it is necessary for me to deal in general terms with this bill because I find that in some ways it is a rather strange piece of legislation. There is no doubt that its purpose is admirable, that being the rationalization of the Canadian textile industry, the winnowing out of inefficient sections of that industry, and the diversion of portions of the industry from unproductive lines into productive lines. I have heard no disagreement from any spokesmen of any parties as to the general desirability for this, and the minister will hear no argument from me against rationalization. In fact, I might say the same thing in other terms. I would suggest that it is essential for the good health of Canada, not only that efficient industries should have the chance to develop but that inefficient industries or industries which cannot adapt to changed conditions should retain that basic free enterprise right, which is the right to go broke.

So the ostensible purpose of this bill is supported by all the parties, if only because it represents an improvement over what we now have, and no doubt it will pass quite readily on third reading. I, myself, intend to vote for it on the basis that some improvement is better than none.

Nevertheless, I find it a curious piece of legislation and one which could be subject to much abuse, if not by this government then by governments to come. For this reason, I suggest to the House that it is not a piece of legislation which we should permit to be tucked cosily, neatly and quietly into the statute books. The actions which may be taken under this legislation should be constantly on view before the general public of Canada, because the general public will pay the bill for protection if protectionism is invoked. The consumer pays for protection. He pays just as surely, if not as directly, as if he were being taxed to support an industry. Every tariff increase, every import quota or voluntary export quota negotiated with a foreign government, every surtax, every action of any kind to choke off the flow of cheaper consumer goods into this nation, is a charge against the Canadian consumer.

Of course, restrictions on imports may be necessary from time to time. Not even those who most ardently support the principle of free trade have ever suggested that it can be introduced overnight, and no one in this debate has suggested that the textile and clothing industry of Canada should be suddenly stripped of the protection under which it has grown and its tens of thousands of workers thrown out on the street. This would be savagery.

However, disclosure,—and that is what the amendment deals with—a system of regular public disclosure of how this legislation is being used, is another matter. It is necessary, if the Canadian consumer is to get some idea of how much he is paying to preserve portions of the clothing and textile industries. Usually, the consumer does not know how much he pays. However, in a study for the Gordon Commission, Mr. J. H. Young made an estimate that Canadians paid about $1 billion a year for protectionist policies, which in 1956 represented about 4 per cent of the gross national product. I wonder what the figure would be today if it could be calculated.

During the committee hearings I had hoped to get some reassurance from the minister about Bill C-215. I had hoped that he would be able to reassure me and others that this legislation was not an instrument under which continued protection might be given to sections of that industry which were not earning their right to existence. But there was not sufficient assurance from him. Time and again the effect of the minister's answers was that Bill C-215 was not necessarily protectionism, but protectionism if necessary.

Let us see how far that protection might be made to extend. Clause 18 lists five matters to be taken into consideration by the textile and clothing board in making recommendations to the minister. I will not take the time of the House to read those five considerations, but I suggest that the terms are broad enough, particularly in subclause (a) regarding manpower and regional considerations, that Canadian governments under such a bill could still be protecting the manufacture of buggy whips and butter churns in this country.

The minister was at great pains to tell the committee—and I have no doubt that he will tell the House again today—that he is not going to use this legislation as an instrument to shield inefficient industries from the natural consequence of their actions. He spoke more than once in answer to my questions, and I will not take the time of the House to read from the committee's report, about the value of precedent in our Canadian system. The precedent, he said, will be set by board decisions in the direction of practical measures for the rationalization of faltering sections of the industry.

I suggest that these reassurances by the minister are not enough. This is no reflection on the minister. I know he recognizes the importance of international trade for this country and knows that we cannot afford to badly damage our image in the international community by actions which retard trade. I know that he has an abundant store of common sense, although he sometimes cloaks it under an urbane wit, but I suggest that this has almost nothing to do with this piece of legislation because what have the assurances of this or any other minister to do with a question of law?

Ministers come and go and the law goes on without them. Once on the books, the law goes on almost as immovable and unchangeable as the civil service. If it is a law that can be used by the government of the day when it chooses, if it is a broad law such as this one, who is to say whether this piece of legislation in the future will be a powerful, straight protectionist piece of legislation in its application?

• (4:30 p.m.)

I have said that ministers come and go. Governments come and go. We all come and go. We are all here in this House temporarily; in fact, the records show that we are here for very brief periods. There is about a 30 per cent turnover of members of the House at each election.

Mr. Pepin: That sounds like St. Augustine.

Mr. St. Pierre: I wonder, and I am sure the minister will be interested in this, how this legislation will be used in the year 1990, by which time the Conservative party might have bound up its wounds and regained power under the direction of the boys from Bay Street in Toronto? How might they use this legislation?

I had originally intended to move an amendment to put a life term on this bill, to have it automatically expire after ten or 15 years. But it seemed to me that this would make it lame duck legislation because obviously if the bill were to expire in, say, 1981, we could scarcely expect a manufacturer to undertake a new, high cost five or ten year development program under the terms of the act in 1978 or 1979.

What I am endeavouring to do by this amendment instead is to ensure that the consumers, the Canadian public, shall not remain in ignorance of what actions their government is undertaking, at their expense, to protect an industry. It does not, of course, suggest that the trade secrets of any plant should be revealed to competitors. That is taken care of in another clause of the bill. In any case, secrecy of information is at least dealt with in one part of the bill and, if I recall correctly, it is dealt with twice in the bill.

But what the amendment does attempt to do is to ensure that there will be regular public reports of what action the government takes under the terms of the legislation. Incidentally, the amendment is modelled on provisions in the Regional Development Incentives Act, which require the minister to submit monthly reports on the actions of his department. I think it would be unreasonable to expect a monthly report on this legislation. Probably in most months there would be nothing to report. At least many of us would devoutly hope that would be the case. But quarterly reports to the public, while Parliament is in session, seem to me desirable, and I would say a necessary safeguard in the interests of the general public.

I wonder if here, Mr. Speaker, I might anticipate some objections from the minister. Perhaps he has none and will joyfully welcome my amendment, but I must face the possibility that he will not. It may be said that the amendment to clause 25, which requires publication in the Canada Gazette of all regulations, is a sufficient safeguard. Well, Mr. Speaker, I would suggest, and I have suggested it before, that the death of kings could be hidden if the news were published only in the Canada Gazette. But I am not going to pursue that argument.

After all, the Canada Gazette is available to everyone, and hopefully organizations and concerned members of the public will come to subscribe to it, and to check regularly upon it. It is at least a public record. But clause 24 deals with regulations, and not all the measures available to the government to protect the textile industry will necessarily be put into practice by regulation. I will deal with one important example. It is the arrangement of a voluntary export quota with one of our trading partners. We know how this is done. I think we know exactly how gladly other nations volunteer to restrict their sales into Canada. In effect, our trade minister of the day twists their arm until they volunteer. And, as with other forms of restriction on cheap imports into

Canada, the Canadian consumer foots the bill by paying higher prices.

I submit that under this bill as it is now written, there is no requirement that this action be made public. The Canadian public would have no way of knowing to what extent voluntary export quotas were restricting the flow of goods into Canada. We do not know to what extent these are operative today.

Further, it may well be that many countries would prefer that such agreements with the Canadian government be kept secret. That might suit their convenience. But I suggest it does not well suit the convenience of the Canadian consumer, and in the balance I suggest the rights of our own citizens in this case must be paramount.

Unlike the hon. member for Crowfoot (Mr. Horner), I do not object to Clause 24. I feel that the minister does need discretion in negotiating with other nations on trade matters, and we should not deprive him of this right to secret negotiations. Someone said, I think it was Gracian, "To play with all the cards exposed is not only bad tactics but bad taste." And I know this minister would never be guilty of either. But when negotiations have been completed, when agreements have been concluded, then I suggest it is the right of the Canadian public to know within a reasonable period of time what those agreements were. This legislation should never be far removed from the scrutiny of the Canadian public.

Mr. Lambert (Edmonton West): Mr. Speaker, I was intrigued to hear some of the statements made by the hon. member for Coast Chilcotin (Mr. St. Pierre). I think he decided to stake up and down both sides of the rink and see how many shots he could take at both goals. On the one hand, he was saying that the textile industry had to be protected and on the other hand, was saying that every time imports were curtailed in any way the Canadian consumer had to pay more money. He cannot have it both ways. I do not know which would cause the greater misery.

All of us know of towns in which textile manufacturers or converters had to close their plants due to a heavy infusion of imports. I need only mention one particular town, and I apologize to Mr. Speaker for doing so. We have only to look at the city of Cornwall and the massive body blows it was dealt as the result of low cost textile imports. My own city of Edmonton has had a record of highly fluctuating employment in the textile converting industry over a period of years. In fact it is a good, budding industry in my city and produces excellent goods. But in the face of unrestricted cheap imports, not one Canadian plant could continue to keep its doors open.

Who can argue in favour of closing down a plant, selling its equipment, disposing of management and laying off 2,500 operatives? Just look at the cost to the nation in employment retraining alone. I agree it should not be the policy of the government to support inefficient industry with tariffs and quotas. The hon. member for Coast Chilcotin was right when he said that if a person goes into business that gives him the privilege of losing money. On the other hand, in past years we have seen some towns totally destroyed as the result of selective massive textile imports.

I agree with the hon. member that publicity is necessary, but I do not know what actual purpose is served by the 90 day reports emanating from the Department of Regional Economic Expansion, unless it is just like tossing up a ball. You show that one province is getting massive aid, and you wonder why this is being done. You wonder what strings are being attached to such massive financial assistance. How many of these plans will still be in operation in two years? In many cases the assistance given under the act is merely delaying what should have been a merciful death.

• (4:40 p.m.)

In committee I disagreed with the hon. member on the 90 day provision. I feel that a report of an advisory board such as this should be no more frequent than that of a review board. It is all very well to make commissions and boards prepare reports and to table them, but what do we do with them then? I would say that a good 60 per cent of these reports end up in the waste baskets. Indeed, some members do not even see them because they have given instructions to their secretaries to throw them away. I would much rather the provision were for one year than 90 days. But even on this point the bill was completely silent, unless the act comes under the regulation requiring an annual report to Parliament. But there is no such provision in the bill.

As I say, I do not like the 90 day provision, but since the hon. member put in a section which requires a report to Parliament on the operation of the act I will support his amendment.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I did not have an opportunity of serving on the committee that considered this bill clause by clause. I would not pretend that I am an expert on the textile industry, and certainly I am no economic expert when it comes to dealing with free trade. However, I think it is very symptomatic of modern government that we are delegating a great deal of political power and authority to endless numbers of boards, commissions, Crown corporations and other agencies.

I recognize that the complexity of modern government demands this. Certainly, many who view modern government believe that Parliamentary institutions cannot function alone without appropriate delegation of their powers to other agencies. Sometimes, however, the delegation of authority from Parliament has political connotations, which can bring about disastrous results. You can have boards and commissions which in substance are acting in a political manner, such as the Canadian Transport Commission to a certain extent and the Canadian Radio-Television Commission to a certain extent. Such Boards can move absolutely contrary to what might be recommended if the problem they were considering were before the House. In my opinion, some of the decisions of those boards have been questionable. I do not want my words to suggest that the boards were not motivated in

their decisions by what was good for the country, but I find that there is very little that can be done to change those decisions.

This bill before us seems to introduce the delegation-to-a-board principle into the textile industry. Certainly, there is some difference from the normal delegation of power in that this is an advisory board only. That is to say, it does not have the power to act. Nevertheless, it is difficult to conceive a situation where a minister of the Crown would act contrary to the recommendation of an advisory board appointed for the express purpose of relieving the minister from the difficulties and complexities of looking into a particular subject. My concern, therefore, is not that I do not think it is necessary. I think the minister's remarks throughout the course of debate in the House and committee should be accepted in good faith. He has said that this provision is for the benefit of Canadian industry.

My concern is twofold. First of all, as I read this bill it can serve the people of Canada in the way the minister suggests. It can be a very good thing, moving us progressively toward free trade with other nations, but it could also go in exactly the opposite direction. This measure could result in more protection for Canadian industry. Certainly, it could serve the protectionists within the country and not Canadian citizens generally. To ensure that the work of this board is in accordance with the principles enunciated by the minister, I think it is quite rational that there should be a report to this House from time to time. Such a report would also ensure that the aims and objectives of this piece of legislation were known to the public, thus enabling the public to determine whether or not the action taken was within the purview of what was intended in the first instance.

The amendment merely suggests that every 90 days the minister shall file a report to this House. It does not say that he shall reveal delicate and confidential negotiations which may affect our trade relationships with other countries. Indeed, clause 23 prohibits this; it merely says that he shall file a report. This report would merely cover what steps were being taken, what recommendations were being made and where we stood on the question of progressing toward free trade. Rationalization is a very good thing, but it can serve the principles of protectionism just as well. From time to time, I should like to see a report on how we are getting along. The minister defends himself on the basis that he cannot reveal these things, but I say that he is not compelled to reveal them by the nature of this particular amendment.

I fully support the amendment of the hon. member for Coast Chilcotin (Mr. St. Pierre). I think it would be a good provision to have in the legislation with respect to this type of board. I draw your attention to the fact, Mr. Speaker, that if such a report is not made by the minister, then he could surely be asked questions at the time the estimates of his department are reviewed. All matters could be gone into extensively there. The excuses he used for not providing by way of statute that the report be made public are blown away when you consider that this information could be brought out by that technique if Parliament had the time.

Mr. John Burton (Regina East): Mr. Speaker, in rising to speak to this motion, I want to make it clear that I do not accept some of the philosophy expressed by the hon. member for Coast Chilcotin (Mr. St. Pierre) in support of his amendment. Nevertheless, on examination of this amendment I feel that it does have some merit and that the House should give it serious consideration. As has been noted, there is no provision for a report on the operation of the board in the bill. After all, this is a board which is being established not by any action of the government through its executive functions, but by this Parliament through the bill now before us.

• (4:50 p.m.)

It seems to me that Parliament has some right to expect a report on the operations of an agency which it establishes and to which it gives certain powers. On first thought, it might have been considered that subclause 2 of clause 25, which refers to the publication of regulations in the Canada Gazette, would have covered some of the concerns of the hon. member for Coast Chilcotin. I think it has been rightly pointed out that there are other matters upon which the board will have to conduct studies, as it is empowered to by this bill, upon which it will not be required to make any report whatsoever. I can quite appreciate that confidential matters will be considered by the board and that, in many cases, voluntary restraint dictates that there must be some measure of confidentiality with respect to what is undertaken. Nevertheless, I see no problem in the government providing Parliament with some report on the operations of the board.

For instance, one has only to look at certain reports which are tabled by the government. One report which I saw the other day was the report of the anti-dumping tribunal. That certainly was a skeleton report if ever I saw one. It gave a skeleton type of outline of the operations of the anti-dumping tribunal. Of course, any action taken by that body is expressed in the form of a regulation published in the Canada Gazette, so that one would not encounter some of the problems in that case which might exist with respect to the board we are establishing under this bill.

I do not think a minister exhibiting the qualities shown by the Minister of Industry, Trade and Commerce (Mr. Pepin) would have any difficulty in dealing with any of the sensitive problems that may arise as a result of this amendment. After all, the minister has demonstrated on many occasions that he is the master of obscurantism. He has no difficulty in obscuring things when he so desires. He can embelish his presentation in a sea of words. Really, I must congratulate him on his talent and his facility in doing this whenever he wants to do so. He does it when it suits his purposes. Thus, I would say that it would not be difficult for the minister to ensure that the reports submitted to Parliament, as provided for in this amendment, are worded in such a way as to protect any matter which the minister might have to take into consideration. Thus, I hope that the minister will give some consideration to this motion and that we can have this change made in the bill before us.

Mr. F. J. Bigg (Pembina): Mr. Speaker, to be consistent, I must support this amendment as well. The art of being a good parliamentarian lies in one's being willing to compromise. It is refreshing to hear a Liberal espousing something that sounds like the concept of free trade. The last time I remember free trade being espoused was in the Dunning budget, almost two generations ago. I believe that anybody, in any corner of this House, who supports free trade will have little difficulty in finding support in Western Canada. Western Canada has only gone ahead twice. The first time was under a Liberal administration, led by Sir Wilfrid Laurier, when the matter of reciprocity with the United States was discussed. After that, western Canada went ahead on sporadic occasions when this country sought free trade in the markets of the world.

I should like to see more free trade, because I have seen what it can mean. At this time Chemcell has thought it necessary to lay off between 325 and 350 breadwinners in my constituency. The firm is keeping open that part of its factory that is producing textiles. I think we ought to look more closely at this. A third of the factory is busy producing textiles from petrochemicals and artificial fibres. If we cannot compete, in areas like the production of so-called Irish linen made in Red China, then perhaps we could concentrate on making materials in which we have the upper hand, materials made from cheap petrochemicals. I conclude in this category wood products. It is in these areas that an alert government of a progressive nation such as Canada could make headway, and it is here that we could bring about the rationalization of which the minister spoke eloquently when introducing this bill. I certainly support free trade, and I say without hesitation that I would support any group in Canada which espoused the concept of free trade. I believe that free trade and free enterprise is the only basis on which we can have a free world.

The Acting Speaker (Mr. Richard): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Richard): The question is on Motion No. 5, in the name of the hon. member for Coast Chilcotin (Mr. St. Pierre). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Yes.

Some hon. Members: No.

The Acting Speaker (Mr. Richard): All those in favour of the motion will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Richard): All those opposed will please say nay.

Some hon. Members: Nay.

[Mr. Burton.]

The Acting Speaker (Mr. Richard): In my opinion the nays have it.

And more than five members having risen:

Mr. Bell: Mr. Speaker, may I say a word about the forthcoming group of deferred votes? There has been some discussion on this and I think there is agreement along these lines: there should be an order of the House that these votes are to be deferred until the first item of business tomorrow. This would be of advantage to a committee that is not sitting in Ottawa today, the members of which could be here tomorrow.

Mr. Francis: Mr. Speaker, we confirm that.

The Acting Speaker (Mr. Richard): Order, please. In that case further consideration of Government Order No. 50 is to be adjourned until tomorrow's sitting of the House and, pursuant to Standing Order 75(11), the deferred votes shall be taken forthwith upon the calling of Government Orders. Is that agreed?

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. St. Pierre: Mr. Speaker, I hope it is recognized that there will be a vote on the motion which we have just considered.

The Acting Speaker (Mr. Richard): Yes. In connection with the request made by the hon. member for Coast Chilcotin, may I say that the vote on Motion No. 5 in his name stands deferred until tomorrow, when we shall take the votes on the other motions.

Mr. McCleave: Mr. Speaker, I rise on a point of order. May I ask if it is correct to assume that the business for tonight will be, first, the government organization bill, to be followed by the young offenders bill. Am I correct in that regard?

Mr. Turner (Ottawa-Carleton): Yes, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows. The hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Citizenship—request for report on charges by Alex Bandy of Falsehood, deception and inefficiency; the hon. member for Halifax-East Hants (Mr. McCleave)—Government organization—Proposed ministries of state; the hon. member for Yorkton-Melville (Mr. Nystrom)—Finance, Student loans—Suggested change in repayment requirements.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely, notices of motions.

• (5:00 p.m.)

PRIVATE MEMBERS' MOTIONS

CUSTOMS ACT

REQUEST FOR PROVISION OF QUALIFIED PERSONNEL AT AIRPORTS TO FACILITATE CLEARANCE OF AIRPLANE TOURIST TRAFFIC

Mr. Jerry Pringle (Fraser Valley East) moved:

That, in the opinion of this House, the government should consider the advisability of making regulations, pursuant to paragraph (r) of section 273 of the Customs Act, so as to facilitate airplane tourist traffic at Canadian airports of entry by providing for the deputizing of qualified personnel now employed at management or administrative officers to handle customs clearance of such tourist traffic.

He said: Mr. Speaker, about a year ago I was privileged to present this resolution to the House. Although no opposition was forthcoming during the hour devoted to private members' bills, no direct action was taken to get Parliamentary approval. During the past year I have met with representative groups within the general aviation industry. On several occasions I have been encouraged by them to resubmit my resolution and continue the debate.

At page 897 of *Hansard* for November 17, 1969, my speech is recorded in which I endeavoured to explain the problems of general aviation as related to customs clearance for aircraft tourist traffic at ports of entry in Canada. I do not propose to repeat the explanation today. I am sure that most hon. members are familiar with the problems. I know that many members have received letters from aviation enthusiasts, businessmen and associations with regard to the problem relating to customs clearance for tourist traffic at airports.

I will attempt to suggest evidence which will hopefully provide the Minister of National Revenue (Mr. Gray) with sufficient proof to influence a new and realistic approach to this subject. However, I feel it is incumbent upon me to reiterate my remarks pertaining to the confidence of the travelling public in our customs and immigrations officials, especially their conduct in handling airplane tourist traffic. I suggest no criticism with regard to these officials in the performance of their duty.

Airports of entry differ from automobile ports because they are not located at the exact point of entry into Canada. Airports accommodating international passenger and commercial traffic are properly designated to serve the travelling public and in many instances are located two to three hundreds miles north of the Canada-USA border. Full time customs and immigration officers and offices are, of course, permanently located at international airports regardless of location. Light plane traffic is still permitted to use international airports of entry, and in fact, under existing regulations are encouraged to take advantage of this round-the-clock service, even though there is some doubt as to the advisability of mixing fast jet traffic with the slower light planes.

This resolution is designed to lend assistance and expedite customs clearance for light plane tourist traffic at smaller airports of entry located close to the border. Most of the smaller airports of entry are no longer provided with service beyond regular working hours, as well as weekends and holidays. I would like to qualify that statement inasmuch as some still have adequate service, but most are denied the service which allows for the convenience of the tourist traffic using aircraft. The system automatically causes inconvenience to customs officers as well as airplane operators.

I am pleased to extend the appreciation of dozens of pilots I have talked to, as well as organizations which have only compliments to hand out as far as courteous treatment is concerned. I'm sure the time involved in travelling to and from these smaller airports of entry create time consuming inconveniences to customs officers, especially where an office is staffed by one officer.

A study of the recent re-organization of district and area administrations indicates the Department of National Revenue and the Department of Immigration have improved the efficiency of service to Canadian communities without adding cost to the tax-payers. The temporary employment of university students during peak traffic periods during the summer is highly commendable and I am sure is appreciated by both the tourists and the students. Each year community airports are being improved and light plane traffic is gradually increasing. More and more people are taking advantage of the convenience provided by new sophisticated equipment found in modern light airplanes and small airports. They are able to avoid the congested highway traffic and get above the polluted air into the blue sky.

In Canada today there are more than 10,000 registered aircraft. Light aircraft account for all but a few hundred, and I include airline transports in this figure. I repeat, of the 10,000 aircraft, and I am referring to all aircraft apart from the military, light aircraft accounts for all but a few hundred. Our real tourist potential is most impressive. There are 700,000 licensed pilots in the United States. Out of 130,000 registered airplanes in the United States, 98 per cent are owned by non-airline people. The Federal Aviation Administration in the U.S. estimates that 50 per cent of all air passengers in the United States are carried by non-airlines aircraft. Therefore, flying tourist traffic offers great potential, but lack of customs clearance assurance at many Canadian ports of entry discourages our American friends from travelling to Canada in light aircraft.

The concept that only the idle rich can afford private airplanes is no longer valid. Canadians and Americans in all walks of life are registered owners and pilots. Literally thousands of farmers on both sides of the border utilize various types of aircraft to facilitate emergency trips to centres for repair parts, fence inspections, aids to round up of cattle, crop spraying and so on. The farmers like to be tourists as well. However, most airports are located some distance from our urban centres, hence the general public is unaware of the ever increasing light plane traffic. I suggest that those who are interested should visit their local airport, especially on the weekend when there is not convenient customs clearance, and count the number of airplanes. In fact, light plane traffic

has been increasing so rapidly during the past few years that governments, in their wisdom, have been endeavouring to entice light airplane traffic away from major international airports in the interests of easing congestion. Governments have also been increasing aid for development of smaller airports in both rural and urban areas. Light plane pilots appreciate the concern of the Ministry of Transport and are happy to co-operate by utilizing airports outside the busy traffic patterns and corridors used by high flying, pressurized transports.

• (5:10 p.m.)

The resolution under debate at the present time has been criticized on the grounds that responsible airport managers or assistants would have difficulty in mastering the techniques relating to the duties of customs officers as established by existing criteria. It has been suggested that a conflict of interest might exist by virtue of the desire of airport managers to place priority on service to the travelling air tourists above the responsibilities of customs officers. This argument might have possessed some validity in days gone by when the gas boy operated the airport. Only in a very few isolated cases does it apply today. The airports which might qualify under the terms of reference of this resolution are usually owned outright by municipalities and operated by duly appointed airport boards under the able management of responsible citizens. Airport managers and their assistants for the most part are charged nowadays with the responsibility of administering strict rules as prescribed by the airport board and air regulations. Private operators handle gas concessions and engineering services.

I do not suggest, Mr. Speaker, that all existing small airports of entry in Canada would qualify. I am sure there are probably a sizeable number which would not expect to qualify under this resolution. But I do say there are many airports of entry which could and should qualify if the Minister of National Revenue were to establish criteria based on a fair approach to the situation. I am not sufficiently presumptuous to attempt to set forth essential requirements but perhaps I might make a few suggestions for consideration.

First, the effect of this resolution, if it is adopted, might apply only to airports of entry within reasonable proximity of existing customs offices. Second, applicants would be required to enter upon a period of training acceptable to the Department of National Revenue. Third, tourist traffic only would be handled by the deputized officers, and this would be done in the same way as students handle seasonal duties. There is considerable experience in this regard. Many commercial flights today cannot be handled at airports of entry and customs officers must make special arrangements for commercial entries. If there is dutiable merchandise of a kind not ordinarily carried by tourists, it must be taken to the downtown customs office, and so on. Thus, the separation of tourists from commercial traffic is not entirely new. Fourth, deputized officers would be responsible to local customs officers and would be called upon to provide essential reports on a regular basis as required. Finally, a small user charge would be imposed in order to eliminate any cost to the taxpayers as a whole.

You might feel, Mr. Speaker, that this is a generous statement to make on behalf of the various airport operators of Canada, but I can assure you there is a great need for traffic development at these airports in which municipalities, the business community and the flyers themselves have invested heavily to assist in the growth of the aviation pattern. I am confident that if criteria were established, together with a small user charge prescribed by the Minister of National Revenue, the airport managers and those who qualify to become deputized officers would be happy to co-operate in levying the charge; they would be glad to operate within the budget which might be made available, without cost to the taxpayer.

The greatest concern of the flying public centres on the fact that at many airports of entry after 5 p.m. on weekdays, all day Saturdays, Sundays and holidays, no service exists. This is unrealistic. Tourist traffic reaches its peak between Friday afternoon and Sunday evening. Service at weekends and after 5 p.m. is available at most airports of tourist destination only on payment of heavy travelling fees, anywhere from $12 to $30. The time taken to clear an airplane arriving with tourists is about 10 or 15 minutes.

In closing, I plead with the House to permit the referral of my resolution to the Standing Committee on Transport and Communications. I respectfully suggest that the proposition is practicable and worthy of further consideration. If the Minister of National Revenue, after committee hearings, could establish a pilot project I am sure the aviation industry would be grateful and only too happy to render all possible assistance to the department as well as to the customs collection officers, so that we could eliminate the serious problem to which I have referred, one which is confronting general aviation today when people are travelling in Canada as tourists.

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, I have no hesitation in rising to support the ideal behind this motion. I have not had the opportunity to travel extensively by private aircraft but the complaints the hon. member has mentioned have been forcibly brought to my attention over the years by the operator of a small boat in a border area of southwestern Ontario. Getting properly passed through customs often poses a considerable problem, particularly at weekends when customs offices are open short hours at ports of entry which are operated on a seasonal basis.

As far as the customs officers themselves are concerned, may I go on record as stating that in most instances they are most co-operative. With plans properly made out in advance, customs inspection should not normally present any serious difficulty. I am more concerned about the situation where a large group of passengers arrive at one of our airports and some 100 or so people are subjected to delays that in this type of operation are literally abominable. These passengers do not know where their baggage is and they have to stand around waiting. This is where consternation reigns supreme.

An honest appraisal of the situation would lead almost anybody to the conclusion that these delays are definitely not caused by customs or immigration officials but, in my humble opinion, are caused by the administration and operation of the airport itself. Eventually, people's bags are found, though sometimes a report comes through that the bags of people who are in Ottawa are on their way to Winnipeg. However, my point is that delays at airports are primarily not the fault of customs inspectors.

I suggest that some streamlining of procedures, as is the case in other jurisdictions, could be made to assist the situation. For example, travellers could be placed on their honour to exit through one door if they have nothing to declare and to go another way if they do have something to declare. This procedure would be much better, it seems to me, than deputizing management or administrative officers, particularly at large airports, having full regard to the suggestions the hon. member made in connection with smaller airports.

For example, what management would be deputized at a large international airport? The manager of the cafeteria, the manager of the bar, the administrative officers, or whom? If these people cannot do a better job of effecting entry of tourists into this country than they do of sorting baggage, then I suggest that the Minister of National Revenue (Mr. Gray), who is in the House, better stick to the tried and true method of the trained and qualified customs examiners. I am all in favour of speeding up procedures adopted by administrative officers at our large airports, since they have not set any records in the handling of my luggage, but I submit that most customs officers are pretty efficient and surely their specialized training is worth something in this instance.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, in rising to support the notice of motion before the House, may I say I have great pleasure in suggesting that such a term of reference for the Standing Committee on Transport and communications would make for good debate. The hon. member for Fraser Valley East (Mr. Pringle) could elaborate on his motion in committee to a greater extent than he has been able to do in the House. However, I believe there is good reason for supporting the notice of motion in view of certain things that need attention, and of which I am sure the hon. member is aware. Regardless of how much we would like to believe that there is sufficient staff available at all times to effect speedy customs clearance, the fact remains that there are occasions when deputies are required. In this regard, one of the areas that bears considerable examination, in my humble opinion, is the method of handling the jumbo jets. Since we are just about to enter the jumbo jet age, I feel we should have some extra facilities and manpower to handle the increased number of passengers carried by these aircraft.

I was concerned the other day to discover that Air Canada is considering discontinuing two of its normal flights to Vancouver when the jumbo jets are introduced so that these large aircraft will be filled. To me this is a further indication that the arrival of a jumbo jet will require extra personnel to handle customs clearance, luggage, and passengers generally. At the present time we have a fairly efficient system of handling passengers at our airports. Yet we are bringing in the jumbo jet service without giving any consideration at all to the way we will handle their cargoes.

Further, it strikes me that the first image a tourist or visitor to Canada gets of this country is in the way he is treated at the port of entry. Unless we have sufficient facilities to cope with these visitors and to greet them properly, I am afraid our image is going to suffer.

I think the notice of motion introduced by the hon. member for Fraser Valley East at least opens the door to further consideration of this question in committee. Perhaps the government will think of other ways to handle the problem at that time, but surely at the present time we should allow this notice of motion to go forward to committee for discussion with a view to effecting speedy customs clearance. Even though there may be reservations about the mechanics of the notice of motion, we have no hesitation in giving our support to sending the motion forward to the Standing Committee on Transport and Communications.

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, I should like to begin by commending the hon. member for Fraser Valley East (Mr. Pringle) for his initiative in putting forward for consideration the important matter raised in his notice of motion. I think I can say that this action on his part is typical of his continuing efforts as an effective and constructive member, not only on behalf of his constituents but also with respect to matters of public interest in general. I think I can inform the House that prior to the presentation of his motion today I arranged for the hon. member to discuss the proposal with senior officials of the customs and excise division as a way of aiding its meaningful consideration.

With reference to the remarks made by the last two speakers, I would certainly be pleased to hear from hon. members with regard to any problems they feel exist in relation to customs service in their areas so that I can have them looked into. Also, while the motion itself does not pertain directly to the matter of handling passengers from jumbo jets, I think I can say that planning to provide adequate customs service on arrival of jumbo jets has been carried out with the aim of ensuring that this kind of service is in fact available. I have been pleased to hear the compliments extended by hon. members to customs officers for the manner in which they have carried out their duties.

• (5:30 p.m.)

Let me now make a few comments on the subject matter of the motion itself. As some hon. members are probably aware, for many years prior to 1968 customs service for the clearance of non-commercial tourist air traffic in Canada was provided at all times without charge. The only cost to the parties accommodated was the payment of any transportation expense which departmental officers might incur in providing the service. Before 1968, call-out customs service was provided to

what are known as health or pleasure flights arriving at any airport approved for customs entry. This meant that customs officers were on call during the hours of operation of these airports. Since service to these flights was not subject to special service charges, the Customs and Excise Division was obliged to compensate officers with overtime pay for providing clearances after their regular hours of duty.

I should like to point out, however, that current regulations do not permit the charging of special services other than for the transportation of an officer when pleasure craft clearances are involved. This meant that before 1968 a situation existed in respect of service at small tourist airports whereby operators were receiving service which far exceeded that accorded any other form of transportation and that the cost of providing such service was being absorbed by the taxpaying public generally. I think I can best illustrate the point by referring to the facilities available at certain highway offices on the Canada-U.S.A. border where service is provided during specific hours and persons wishing to enter Canada outside those hours must do so at points of entry where extended or 24-hour service is available, and this has been the case for some time.

During 1968 it was recognized that the financial obligations of the government under contract with its employee groups about pay for call-out duties had become quite significant. It was considered that if this trend was continued as a result of future negotiations, costs in providing after-hours service to tourist air traffic would be completely out of proportion to the cost of service rendered to the travelling public as a whole. In view of this, and because of the budgetary and manpower restrictions placed on government operations at that time, it became necessary to review this function to ensure effective operation within the budgetary means available to the department.

Therefore, a revised policy governing hours of service at customs airports for the clearance of pleasure aircraft was put in effect in the late summer of 1969. Under this new system certain airports were designated, in network fashion, throughout all regions of Canada at which aircraft arriving with destinations in Canada could report inward for customs purposes. All other small airports would be confined to regular port hours, Monday through Friday. The aim was to encourage operators of aircraft to make their after-hours clearances at the specially designated airports I mentioned.

Generally speaking, after-hours service continued to be available for any air traffic entering Canada in need of it, although not always at each individual landing strip or airfield in the country. It was realized that this network approach would not be completely acceptable to pleasure air traffic in all instances and that we could still expect requests for clearances at other hours at certain airports. Such additional call-out service could, under present regulations, only be provided on an advance notice basis and then, in effect, at the expense of the taxpayer at large.

As one can well appreciate, the necessary curtailment of hours at certain airports, which over the years had given unlimited service, has given rise to a series of representations by individuals and organizations as well as in the form of this private member's motion calling for legislation authorizing the appointment of persons other than regular customs officers to perform the customs duties after regular hours at small airports. While the motion has been given a lot of thought and in-depth study, I regret that it is not felt this proposal can be accepted, at least in its present form.

I am advised that the only existing exception to the present situation with regard to use of regular customs officers is in respect of certain remote locations in the Arctic where Royal Canadian Mounted Police officers are normally used as customs officers or, when none are available, other government officials are used. But I am informed that ordinary civilians are never used for the position of part-time or temporary officer in the Arctic area. So, as I have said, I think it could be argued that the hon. member's motion, at least in the form in which it has been presented today, is not acceptable for a number of reasons. Let me list some of these reasons for the consideration of the House. The department, in order to demand proper service, of course would be obliged to adequately compensate such persons for performing the additional duties, and this would likely be on the same basis as payment to regular officers for such service. However, it is felt the service provided would not likely be up to the standard required by the law the department administers, and departmental requirements.

Another point is that it could well be that questions might be raised concerning how the proposal would fit into the collective bargaining arrangements between the government and its employees. Also, it should not be overlooked that customs officers assigned to the clearance of aircraft are responsible not only for the administration and enforcement of customs laws and regulations but must also act on behalf of many other departments, such as Manpower and Immigration, National Health and Welfare, Agriculture and the Air Transport Committee, to name just a few. I have some doubt that my colleagues who head these other departments or are responsible for some of the other agencies concerned would want to have what essentially would be untrained and part-time personnel to carry out the duties required by these departments and agencies. I think the consent of these departments and agencies would be necessary in respect of any changes along the lines proposed by the hon. member. Of course, as I have suggested, persons outside the customs service certainly could not be expected to perform the work of the customs officers or work on behalf of the other departments concerned without appropriate periods of training.

With specific reference to the hon. member's proposal for the employment of airport management or administrative personnel as part-time customs officers, situations could arise where the airport attendant would be endeavouring to sell his services to the aircraft operator and, on the other hand, causing the operator to present

himself, his aircraft and baggage for inspection. He would be called upon to question the operator relative to compliance with immigration regulations, to collect duties and taxes which may be applicable, and possibly would be required to initiate seizure action because of violations detected. I think it could be argued that such an arrangement could result in a conflict of interest on the part of the deputized individual.

Also, one could ask whether the general public would have sufficient respect for someone who was not truly a departmental officer. I say all this recognizing full well the positive development of local and municipal airports and the development of their staffs in recent years. I should say that as a result of the consideration of representations from the hon. member and others I have instructed senior officials of the department to re-examine and re-assess the whole subject of customs services to the travelling and importing public after normal hours at smaller airports throughout Canada. A very comprehensive study is being carried out covering the entire country from coast to coast and in the north.

• (5:40 p.m.)

At the moment, of a total of 138 airports, 67 or almost half are provided with customs service on an extended basis. That is to say, the services given are beyond the normal 9 a.m. to 5 p.m. Monday through Friday business hours and vary according to the volume of traffic from 24 hours a day, seven days a week, down to the provision of service from 8 a.m. to 4 p.m. Monday to Thursday and 8 a.m. to midnight Friday to Sunday. An example of the latter is the airport at Regina. The remaining half of the total airports are provided with service from 9 a.m. to 5 p.m. Monday to Friday with a few receiving slightly longer hours of service.

One-third of all customs airports are located at or near the Canada-U.S.A. border and give extended service to the public, while another third are too far inland to be reached by most pleasure aircraft. Aircraft, therefore, must also pass a number of airports providing adequate service en route to their destination in the remote areas. The balance of our ports are in the limited service category where requests for extended service cannot be justified under any circumstances.

The hon. member had previously suggested to me directly that more extended service is necessary at eight airports, namely, Goderich, Ontario, St. Jean, Quebec, Fredericton, New Brunswick, Moncton, New Brunswick, Digby, Nova Scotia, Weyburn, Saskatchewan, Pitt Meadows, British Columbia and Chilliwack, British Columbia. As a result, I asked that a study be made by the department of the total need for customs service at these and other airports throughout the various regions of Canada. With respect to the eight airports in question, the study to date appears to reveal that of these airports only Fredericton would be likely to qualify for additional service. The Fredericton situation is presently being looked into with a view to seeing exactly what changes could be made to provide more flexible service there.

Also, an extension of service in this way through greater flexibility has recently been put into effect in the Prairie region of Canada. It was recognized that existing circumstances differ somewhat from those in other regions in that the distance to be travelled can be quite significant, and also there was recognition of the fact that the Prairies had relatively few places where extended hours of service were available. This is similar to steps recently taken with regard to the Kitchener-Waterloo airport after it became apparent that the need for a form of extended service existed.

Accordingly, I recently met with representatives of the airport commission to discuss this matter after receiving representations from various members, particularly the hon. member for Kitchener (Mr. Hymmen). Pending completion of the comprehensive study I have mentioned earlier, a study which involves further discussions with other government departments concerned, I have asked Customs and Excise officials to interpret and apply the existing regulations with respect to service after normal hours at the Waterloo-Wellington airport and other similar smaller airports in the most flexible possible manner in order to accommodate the needs of the travelling and importing public who use such airports.

In conclusion, may I say that subject to the results that might arise from the further consultation and the studies now under way that I have just mentioned, the evidence presently available to the department does not indicate a clear need for additional designations of customs airports with extended hours of service. Also, the question of authorizing private and municipal airport personnel as special, part-time customs agents appears to present a number of practical difficulties, some of which I have outlined and which I think can well lead to the conclusion that the hon. member's proposal, at least in the form he has presented it—although the aims of the hon. member are understood and appreciated—cannot presently be accepted.

Let me assure the House and the hon. member that if our continuing studies lead to the conclusion that additional service is required, then the Customs and Excise division will certainly attempt, consistent with the resources available to it, to provide such service. I wish again to assure the hon. member that the important issue raised in his motion is under active study and I commend him for his initiative in presenting his motion, a step which assists us in the consideration being given to the important question raised by it.

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, I wish to take part briefly in this debate and to support the hon. member's motion. In my remarks I wish to broaden the subject somewhat. Perhaps you will not rule me out of order, Mr. Speaker, if I discuss the clearing of tourists and visitors to Canada through customs and extend it to those people who arrive by boat, by yacht and by pleasure craft in the Great Lakes area. I shall only take a minute.

Since the minister is in a mood to hear representations and maintain an open mind on the subject, I would ask him to give very serious consideration to a representation that has already been made to his department by letter. This matter concerns clearing of pleasure craft on the

north shore of Lake Erie, particularly in Long Point Bay and the inner bay: The particular spot is Booth's Harbour. The Customs Department last year saw fit to extend, on a seasonal basis, a clearing station at this local marina where, by the way, very extensive facilities are being provided and extended to take care of American tourists.

The minister's department knows full well that this is an expanding business on the Great Lakes. The extension of the service on a seasonal basis last year was much appreciated. I understand it was done on a trial basis. This year the local marina at Booth's Harbour has been advised that the service is being withdrawn after only one year. Since the service and the marina are, as I have stated, in the process of expansion, I think it is only fair that the department should take another look at this service and give it at least a two-year trial to determine whether or not it is worth while, because this manner of visiting Canada is being used increasingly by pleasure craft through Lake Erie.

While I am on this subject I would like to express my personal gratitude for the way in which the minister's department a number of years ago handled a rather unpleasant incident in Port Dover, where U.S. visitors were given rather shabby treatment when they attempted to obtain customs clearance. This problem has been cleared up to the satisfaction of the community. I trust the minister will give the same consideration to the representation I now make to him, which I have already placed on paper by means of a letter to his department with respect to seasonal service in Booth's Harbour. I thank you, Mr. Speaker, for letting me broaden the topic and make this representation to the minister.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, no one can listen except with sympathy to the hon. member for Fraser Valley East (Mr. Pringle) when he puts a case as cogently as he did here this afternoon. I was very happy therefore to hear the minister responding in a sympathetic way as indeed I feel he has impressed all of us in the House with the strength of the case he made for improved customs services for aircraft for tourism purposes.

• (5:50 p.m.)

However, and in spite of the fact that I think our feeling of sympathy is increased by knowledge of the member's own experience, flying not only for pleasure but for business, and in spite of the fact that most of us appreciate that general aviation in Canada has been neglected in the basic services it requires in favour of interest in very large hub airports, like the international airports and major airports in other cities, I think the case he is making really has to be made elsewhere than to the minister responsible for customs and excise.

To me, a very important consideration is a national airport system that will put the case for general aircraft facilities and service into perspective, so that this traffic will increase in keeping with improved ground and operational facilities and will so increase that the pressure on the customs people will be great enough to justify the additional expense of providing customs officers as suggested by the hon. member for Fraser Valley East (Mr. Pringle). I make this comment in light of some of the statistics which are available. I would like to refer particularly to a recent report of the Central Ontario Aviation Council which draws attention to this neglect of general aviation facilities, including those for tourist aircraft. For example, it points out that in North America there are some 3,000 commercial airliners, but they compete for airport space and indeed for air space with 154,000 general aviation aircraft. Among the latter are aircraft flying for pleasure. That is to say, there is a 50 to 1 proportion in which general aviation aircraft have a preponderance over the major airliners, and it is expected that by the end of this decade that proportion will be more in the order of 100 to one in favour of general aviation aircraft. Therefore, I suggest that the problem which the hon. member has put so cogently in front of us is going to intensify and that this will require the federal government—I think in this case, in collaboration with other governments in Canada—to come up with a national air transportation policy.

Such a policy should include the development of regional, subregional and area airports, not only to cope with this impending traffic but also to encourage its expansion for the economic benefits which it is bound to bring. So I suggest to the hon. member that I think the problem, which is going to intensify, will bring its own solution in its train—that is to say, the build-up in traffic will tend to justify the customs costs which the minister has indicated at present would not be justified.

The Minister of National Revenue (Mr. Gray) outlined very clearly the changes and improvements that have been made in the customs service to date. I took note of some of them as he went along. I was encouraged, as I am sure the hon. member for Fraser Valley East was, to note that there have been specific improvements along the line of his hopes since 1968. These included changes that brought increased customs services to a certain number of airports where they could be justified. They included changes that made emergency landings open to customs services without additional charges, and a very broad interpretation of emergency services was given. However, I think the problems which the minister mentioned are very formidable, particularly with respect to the solution that the hon. member for Fraser Valley East was putting forward, and for this reason I cannot support the specific proposals of the hon. member in this motion.

In addition to the problems of costs, I do not see how one can get around the problem of deputizing important customs functions to non-customs officers and, in fact, to civilians. Not only that, Mr. Speaker, but customs officers are also obliged to act on behalf of other departments of government when performing their duties, for example, for the Department of Manpower and Immigration, for the Department of National Health and Welfare and also for other departments.

So, Mr. Speaker, in addition to the high cost of supplying after-hours customs services, it seems to me that the hon. member's proposal meets these other formidable

objections. It would be a downgrading of customs services. It would be offering a service that really is not adequate in a responsible sense. I suggest that the best solution is likely to be found by pursuing the present course, which is a continually close examination of the situation across Canada, adding after-hours customs services where and when they appear to be justified.

I suggest, therefore, to the hon. member that he should seek other proposals to put forward, because obviously the minister is looking at the matter very sympathetically. I wonder if a bonding system would make sense, so that a pleasure aircraft arriving for tourist purposes might be bonded at a regional airport and then be able to land at a more distant and isolated one where the officials at the airport, not being customs official at the time of landing, might be able to cope with the situation. I am sure that the hon. member, resourceful as he is, will come forward with other proposals that do not raise such formidable objections as have been raised to this current proposal.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. The hour for the consideration of private members' business having expired, I do now leave the chair.

[*English*]

I am encouraged to observe that hon. members are becoming a little more convinced that short speeches can contribute to a more effective exchange of different views among a greater number of hon. members, at least during private members' hour.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CRIMINAL CODE

AMENDMENT OF PROVISIONS RELATING TO ARREST AND BAIL

The House proceeded to the consideration of Bill C-218, to amend the provisions of the Criminal Code relating to the release from custody of accused persons before trial or pending appeal, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs.

Hon. John N. Turner (Minister of Justice): I rise on a point of order, Mr. Speaker. If at all possible, I should like to introduce an amendment, if I could have the consent of the House, at report stage and before we reach third reading.

Mr. Speaker: This can only be done with the unanimous consent of the House. Is it agreed?

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton): Your Honour, this is an amendment which I circulated in an informal way to all parties. It was brought on at a late stage as a result of a delegation of judges of the provincial court and of the court of sessions in the province of Quebec. I should like, with the unanimous consent of the House, to read the amendment into the record. If consent is given, perhaps Your Honour would put the amendment to the House.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Mr. Turner (Ottawa-Carleton): My colleague, the Minister of Manpower and Immigration (Mr. Lang), seconded by the Minister of Fisheries and Forestry (Mr. Davis) moves:

That Bill C-218, an act to amend the provisions of the Criminal Code relating to the release from custody of accused persons before trial or pending appeal, be amended by deleting lines 21 to 23 on page 4 thereof and substituting the following:

(ii) in the province of Quebec, a judge of the superior court of criminal jurisdiction of the province or three judges of the sessions of the peace or of the provincial court.

I can give this amendment to the Table. I have already distributed it to members of all parties. I should like to explain it, for the record, to the House at the report stage. This amendment would provide the accused and the prosecutor in the province of Quebec with an alternative method of obtaining a review of the decision of a justice as to the pre-trial release or detention of an accused under proposed section 445A. The difficulty is that in the province of Quebec there are no county or district judges as we know them in other provinces, so this amendment is to provide an equivalent type of review.

In those provinces which have a county or district court, the party applying for the review could, under sections 445F or 445G as proposed in the bill, choose to have the hearing either before a judge of that court or before a judge of the superior court of criminal jurisdiction in the province. As there are no county or district judges in the province of Quebec, the review jurisdiction, under the present formulation of the bill, is vested only in a judge of the superior court of criminal jurisdiction.

• (8:10 p.m.)

In certain respects, jurisdiction under the Criminal Code of a judge of the sessions of the peace or a judge of the provincial court in the province of Quebec is similar to the criminal jurisdiction that is exercised in other provinces by judges of county or district courts. For example, by virtue of section 466(a) (ii) of the Criminal Code, a judge of the sessions of the peace or a judge

of the provincial court has jurisdiction to try an accused person who elects to be tried by judge without a jury under part XVI of the Code.

However, because in the province of Quebec a judge of the sessions of the peace and a judge of the provincial court fall within the definition of "Justice" and are therefore empowered to make the original decision as to pretrial release or detention of an accused—unlike country or district court judges in other provinces—it would not be proper to invest a single judge of the same court with review jurisdiction. In these circumstances, as an alternative to a review by a judge of the superior court of criminal jurisdiction in the province of Quebec, the amendment would invest jurisdiction for review in three judges of the sessions of the peace or three judges of the provincial court.

This amendment, which was supported by a number of judges concerned in the province of Quebec, would make it easier for a review to be carried out in the more isolated areas of that province, because the applicant would not be required either to make his application in Montreal or Quebec City or await the sittings of the superior court of criminal jurisdiction in his own area.

I put the amendment to the House and suggest that it is really a technical one to overcome differences between court structures in Quebec and those in the other provinces.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to seize the opportunity provided by the introduction of this amendment to ask the minister whether he has received representations from certain Quebec justices, including Mr. Justice Fabien, with respect to certain clauses of this bill providing that a police officer may decide for himself when making an arrest without warrant to release the person without bail? Has he contacted Mr. Justice Fabien and does he intend amending this clause in order to avoid unnecessary difficulties for police officers who, although highly qualified, may not always have the required training to make such decisions which heretofore were reserved to judges, in Quebec at least—

Mr. Speaker: Order, please. We must take it for granted that the Minister of Justice (Mr. Turner) still has the floor, and that the question directed to him by the hon. member for Abitibi allows him to continue his speech, because the minister obviously cannot take the floor twice in support of that amendment.

On the other hand, it seems to me that the question of the hon. member is only remotely connected to the amendement under consideration, and it should have normally been asked to the minister on third reading. At any rate, since the question has been asked, the minister might want to answer it.

Mr. Turner (Ottawa-Carleton): I thank you, Mr. Speaker. We met with a delegation of provincial judges and judges of the sessions of the peace. In my opinion, judges are now satisfied with this amendment and with the specific question asked by the hon. member on this matter.

[Mr. Turner (Ottawa-Carleton).]

Last week, at the Standing Committee on Justice and Legal Affairs, amendments have been moved which were approved not only by provincial judges, but also by the Police Association of the Province of Quebec and other associations. I think that all those people are satisfied, and I just wrote to the judges and to the representatives of the Police Association on that matter. I believe that this will do it.

[*English*]

Mr. Lambert (Edmonton West): Mr. Speaker, may I direct a question to the Minister of Justice? It illustrates, if I may say so, some of the problems we face in discussing a bill in connection with which there are no amendments on the Order Paper at the report stage. There is little opportunity for hon. members to ask questions until one reaches third reading stage, when it is really too late.

Hon. members who perhaps have read the transcript of evidence taken before the committee and yet still wish to ask a question for explanation are in this difficulty, as I am at present. This amendment deals with the definition of "court" for review purposes. What will be the effect of this amendment, in the minister's opinion, on those provinces which are changing the titles of certain of their courts? Instead of magistrates courts, we are now getting provincial judges. Actually, we are reaching the level that exists in the province of Quebec where you have a sessions judge and a provincial judge. In the province of Alberta, for instance, as of January 1 magistrates will become provincial judges, as they are in Ontario. Bearing in mind the definition of a judge and that the equivalent of a magistrate exists in the province of Quebec, and bearing in mind that judges may have the opportunity of sitting "en banc" to review an application for bail from the lower court, will the same privilege be granted to other provincial judges to sit "en banc" in review?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I think the problem is solved by the fact that the definition is limited here to the province of Quebec, to take care of the particular situation there. As I understand it, in those provinces which are now reorganizing their courts and calling their magistrates provincial judges, there is in the legislation a clause saying that provincial judges, for the purposes of the Criminal Code, shall exercise the jurisdiction of a magistrate. Therefore, the problem alluded to does not arise.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I only want to say three or four words. Even though we have stretched the rules a bit, I trust that the Minister of Justice (Mr. Turner) is glad that we now have the report stage.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I have always been content with the report stage and have always been generously treated by the House.

Mr. Speaker: Order, please. Hon. members have heard the wording of the motion. Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Amendment (Mr. Lang) agreed to.

Hon. John N. Turner (Minister of Justice) moved that Bill C-218, to amend the provisions of the Criminal Code relating to the release from custody of accused persons before trial or pending appeal, as reported (with amendments) from the Standing Committee on Justice and Legal Affairs, be concurred in.

Motion agreed to.

Mr. Speaker: When shall the said bill be read the third time?

Mr. Knowles (Winnipeg North Centre): By leave, now.

Mr. Turner (Ottawa-Carleton) moved that the bill be read the third time and passed.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, an interesting bill is before us and I hope my few words will be acceptable to the House. I think the bill embodies two propositions and I will put them into my own brand of English. One is: Don't put people in jail; putting people behind bars is a Canadian habit we should all try to discourage. My second colloquial proposition is: Just because they're broke doesn't mean they are criminals; or, people can be poor and honest. That is my way of looking at it. The minister put it in somewhat more refined English in the press release or communiqué which invariably comes out when a bill is read the first time in the House, dated January 22, 1971. He put it this way:

> The basic philosophy of the bill is that a police officer should not arrest a suspect if the public interest can be secured by proceeding otherwise; and that if a suspect is arrested and detained, his financial means should not be the determining factor in deciding whether or not he is released on bail pending his trial. The bill provides that the onus should be on the authorities to establish why bail should not be granted.

• (8:20 p.m.)

Perhaps because of that last statement several police officers' associations expressed concern to the Standing Committee on Justice and Legal Affairs. Their point was graphically made by a cartoon which appeared in an American publication. It depicts an American police officer standing in front of his desk sergeant. The police officer is saying, "I just made an arrest and I would like to call my lawyer."

Some of us are aware of the difficulties that police officers have encountered in an age where some rather important changes have been made to the law. I think I speak for members of the committee when I say that despite the protestations of police associations and some very distinguished police officers, they did not really make their case. However, because they were concerned about it, it would be worthwhile to request that after this law has received a fair trial of possibly one or two years the minister and his department keep an open mind on whether the fears of the police officers are justified. If police officers are being inhibited in their treatment of people they apprehend, some remedy should be sought in the future.

I wish to deal with the reason why police officers are concerned about the changes proposed in the bill we are now considering on third reading. I wish to quote from the 9th issue of the Minutes of Proceedings and Evidence of the Standing Committee on Justice and Legal Affairs. At page 15 I directed a question to Mr. Robert Brown, the associate vice-president of the Canadian Police Association. This man is from Toronto. I quote:

> You seem to lay great stress on the danger of taking somebody who has been charged from the site of the arrest to a police station.

There are provisions that instead of the police officer trundling the accused to the police station, he may give him notice on the street that there will be court proceedings, and allow the man to continue on his way. I will give examples of this later. The police felt there was the danger of being open to some kind of civil action if they in fact took an accused to the station. I asked:

> Do you think it would be an inhibiting factor on police officers?

Mr. Brown replied:

> I think the way the bill is worded it would be because if that officer erred in judgment and found he had taken the wrong person to the police station, had taken a particular individual who should not have been taken to the police station, and that individual turned around and successfully sued him, there would be ramifications throughout all police departments across the country.

As a result of that and other evidence, changes were proposed which were satisfactory to the peace officers. They were in connection with what I call the power of non-arrest where someone is stopped and given notice that he is faced with a criminal charge but is not taken to the police station. Clause 436(2) of the reprinted and amended bill reads:

> (2) A peace officer shall not arrest a person without warrant for
>
> (a) an indictable offence mentioned in section 467—

I will deal with that in a moment. The clause continues:

> (b) an offence for which the person may be prosecuted by indictment or for which he is punishable on summary conviction, or
>
> (c) an offence punishable on summary conviction, in any case where
>
> (d) he has reasonable and probable grounds to believe that the public interest, having regard to all the circumstances including the need to
>
> (i) establish the identity of the person,
>
> (ii) secure or preserve evidence of or relating to the offence, or
>
> (iii) prevent the constituation or repetition of the offence or the commission of another offence,
>
> may be satisfied without so arresting the person, and
>
> (e) he has no reasonable grounds to believe that, if he does not so arrest the person, the person will fail to attend in court in order to be dealt with according to law.

That is quite a mouthful. I would like to be hidden in the cloakroom of the police academy when someone is

trying to boil that down into simple language for someone who is beginning a police career. Subclause (3) reads:

(3) Nothwithstanding subsection (2), a peace officer acting under subsection (1) is deemed to be acting lawfully and in the execution of his duty for the purposes of

(a) any proceedings under this or any other act of Parliament, and

(b) any other proceedings, unless in any such proceedings it is alleged and established by the person making the allegation that the peace officer did not comply with the requirements of subsection (2).

In my opinion, and in the opinion of the members of the Standing Committee on Justice and Legal Affairs, this gives a great deal of protection to the police officer, almost to the point where unless he acted frivolously or wilfully there would be no possible way in which someone could come back on him for failing to give a person the right to return home instead of being taken to the police station. Be that as it may, the police officers were concerned.

After a two-year trial period this provision should be examined to see whether the career of any police officer has been hurt or whether legal proceedings have been instituted against a police officer. The minister nods his head: I think that is sufficient.

I said I would deal with those cases where a police officer gives someone notice that he will eventually be charged with one of a variety of offences. These include theft under $50, attempting to obtain something valued under $50 by false pretences and resisting or obstructing a police officer. I think there is a fat chance of that happening in such a case. If someone resists or obstructs a police officer, you can bet that he will go to jail, and he will probably go there in the old paddy wagon. These offences also include running a common gaming house, betting, engaging in a lottery and cheatin at cards. I can picture a police officer saying—"Tut, tut. I won't arrest you. You come down to the police station in your own good time." There is also the bawdy house offence, driving a car while one's licence is suspended, common assault, other types of assault and failing to collect a bus fare. If someone fails to collect a bus fare, he will not necessarily go to jail; he may ride the bus the rest of the way home and is free until his employer catches up with him.

There is the problem of discretion which exists when a police officer stumbles on one of these offences and must decide whether to take the man or woman to the police station or give them notice that they must appear at some other time. The minister said this: if you do not mind, Mr. Speaker, I will put it on the record because a number of police officers will be interested in this debate. They will probably not have ready access to the reports of the Committee on Justice and Legal Affairs but will expect to read something about it in *Hansard*.

• (8:30 p.m.)

Under the amendment now suggested—

That is, the change in this clause which I have read, as amended.

—the street officer's duty not to arrest would arise in relation to the summary or less serious offences although he would still have a discretion not to arrest, not to exercise his power of arrest in any other case.

THE CHAIRMAN: On the discretion of the officer?

MR. TURNER: On the discretion of the officer. He has that discretion now, Mr. Chairman. This bill converts the discretion into a duty not to arrest and we are talking in this amendment as to what offences this duty not to arrest ought to be attached to.

Under the bill as it now stands the duty not to arrest includes all offences except for murder. Under the suggested amendment, the duty not to arrest would be restricted to summary offences, and there are about 100 of those, the offences for which there is an option to proceed by way of indictment or summary proceedings and those offences under the absolute jurisdiction of a magistrate.

Some of the police officers presented a good picture of the difference between the problems facing a police officer in a metropolitan area and those facing him in a rural area. I think the point was thoughtful and I should like to put some of the argument on record. The point comes from Mr. Brown, president of the Canadian Police Association of Toronto. He talked about the heavy onus which falls upon police officers in the street under the terms of sections 437 and 438.

We intend to show, by exhibit, a number of items which could cause the officer on the street to accept certain identification as proof in dealing with a suspect. These identification documents, however, are either fraudulent or stolen. It is suggested that this is an urban police problem as opposed to rural.

Then they came in with a glittering array of documents, credit cards, student passes, train passes—you name it—anything which anybody can open up their billfold and look at; all the cards they amass there. All these cards are the subject of forgery or fraudulent reproduction. The point Mr. Brown was making is that the police officer probably does not know the person he is stopping for crime in a big city, but likely would know him if he stopped him for crime in a small town. In a big city the one thing he would want, anyway, would be some identification of the accused before he would let him go under his own power; and Mr. Brown points out it is easy for a person of criminal bent to have all kinds of false documentation upon his person.

Well, time alone will tell whether this ready access to forged or otherwise fraudulent identification is an inhibiting factor for police. Perhaps there will be cases where public outrage will be raised because of the ability to obtain forged documents of identity and the like. But to me that is not really an inhibiting factor. I do not think it is a difficulty in the bill; I think it is just one of the reasons for our having a whole lot of police forces. Another point the same Mr. Brown makes is with regard to the principle of persons attending for identification purposes. Persons released may not appear to be the ones who attend an identification parade. This comes from the 9th issue of the deliberations of the Committee on Justice and Legal Affairs.

Different suggestions have been made regarding the mechanics of such a change in procedure. These have included obtaining a thumb print of the accused at the time of apprehension which would be the most definite form of future identification. We must consider the larger forces who process a number of prisoners each day. An officer may apprehend a female with short hair but when she arrives for identification she may be wearing a wig which would change her whole appearance. A police officer may

encounter some difficulty verifying the photograph as that of a woman he had previously apprehended, perhaps days before her identification appearance. The same could apply to a male with a beard and long hair who shows up clean-shaven and with a haircut. It would be almost impossible to identify the person from a photograph. We must also consider the number of persons a police officer contacts during his normal tour of duty.

I suppose that problem points up the fact that when in doubt the police officer will haul the fellow down to the jail for identification. That will be the big problem the minister will face because, let us face it, the minister is trying to cut down arrests and the arbitrary bundling off of people to put them behind bars for the night and let them argue for bail in the morning. In short, the minister is trying to achieve a more humane practice, but I suspect that unless you are stopped by your friendly, neighbourhood police officer who knows you, if you are arrested in a large city in Canada, 99.9 per cent of the time you will go to the jail and will have to argue your case before the desk sergeant.

I have two quick points to make before concluding. The first deals with guidelines for the detention of an accused in custody as laid down in new section 445A(7), which is to be found at page 24. I have already tried this one for size on some of my friends in the judiciary in Nova Scotia, and they found it vague. I do not know whether it can be any stronger than that which the minister and his drafters have brought before us, but for the record it deals with the detention of an accused in custody as justified on one of the two following grounds. In other words, it is an attempt to lay down guidelines for the direction of the judge or other persons who are dealing with bail.

(a) on the primary ground that his detention is necessary to assure his attendance in court in order to be dealt with according to law; and (b) on the secondary ground (the applicability of which shall be determined only in the event that and after it is determined that his detention is not justified on the primary ground referred to in paragraph (a)) that his detention is necessary in the public interest or for the protection or safety of the public, having regard to all the circumstances including any substantial likelihood that the accused will, if he is released from custody, commit a criminal offence involving serious harm or an intereference with the administration of justice.

That is, Mr. Speaker, if he is going to run out and try to "get at" Crown witnesses and suborn their testimony. But I think it does not express principles as quickly or efficaciously as Moses found when he brought those tablets back with him. The fact is that it does offer a primary and secondary line which judges should follow, and it may be worth while to look at again in a couple of years in light of the experience the minister finds the courts have in dealing with this problem. At least, to my mind it seems a reasonable direction.

Finally one is faced with the problem where a policeman has said: If you keep this man out of jail awaiting trial, he may go around committing other crimes. That is a pretty pertinent question, is it not? The Ouimet report, on which the bill is partly based, suggested having a registry in each province. In today's electronic age I am sure it would be possible to establish close liaison between the registries of each province so that police officers, judges or Crown attorneys could obtain very quick reports on subjects who had been apprehended and ascertain whether there was any likelihood of the person in question continuing to live a life of crime if given freedom.

• (8:40 p.m.)

Since I raised this point on second reading and it remained unanswered, may I just refer to *Minutes of Proceedings* No. 8 of the Standing Committee on Justice and Legal Affairs, where as reported at page 30 I made the following remarks:

My first question relates to a suggestion within the Ouimet committee report that there be a registry system established within each province so that a judge faced with the question—a police officer, I presume, too—whether a person should be allowed at large or kept in custody to await trial would have some quick way of finding out about that person. This seemed to be a point on which Ouimet relied heavily but is, of course, absent from the bill. In fairness to that report perhaps the minister should be allowed to say why it is not in there.

The minister replied:

I agree with that suggestion of the Canadian Committee on Corrections, known as the Ouimet committee, but it is an administrative matter rather than a legislative one—and it is an administrative one depending on voluntary co-operation by the provinces. Under the Criminal Code the enforcement of the criminal law has been delegated to the provinces. It is their joint responsibility and I will undertake, as I already have undertaken to the hon. member, to transmit the Ouimet committee report recommendation to the effect that a central registry for bail applications be set up if at all possible. It might well be one of the matters that could be submitted to the uniformity conference next year, and I will undertake to do that.

I continued:

I suppose, Mr. Chairman, to carry the point further, there even could be co-operation, in this communications age, in respect of one central registry—

The minister replied:

Yes, and I imagine it will be done on the computer system now set up which handles a number of offences in a statistical way, automobile offences and so on, and the bail application problem could be put on the same system of computers.

I am sorry to have taken up the time of the House to make these three or four points on the bill, but I thought they should be on the public record, more especially since we had fairly good representation before the committee from those who will either make or break this bill. There is no doubt that it is the police officer on the beat who will prove either that we have been indulging in a great act of wisdom or in an act of optimism that has no basis whatever in reality. It would be my hope—I think I also express the hopes of my colleagues—that this legislation will do exactly what is hoped of it.

Mr. John Gilbert (Broadview): Mr. Speaker, I should like to say a few words on this bill. We had a healthy debate on second reading and a good discussion at the committee stage, so I shall confine myself to making just a few remarks. The test of the adequacy and strength of the bail reform bill will be shown when its measures are applied by an arresting officer, the officer in charge at a police station, magistrates, justices of the peace and provincial judges. The bill gives very wide discretion to an arresting officer, to an officer in charge and to justices of

the peace. This will probably be a good thing because it will place on these people the onus of exercising good, common sense in regard to making arrests and permitting people to be released on bail.

In its present legislative form, the bill looks like a step forward. The principle that the financial means of a person who has been arrested and detained should not be the determining factor in deciding whether or not he should be released on bail pending trial is a step forward, as is the principle that the onus of establishing why bail should not be granted is on the authorities concerned. The test now in legislative form is whether an accused is likely to turn up for his trial. This test has been stated in many cases, and since we now have it in legislative form this is certainly another step forward.

You will recall, Mr. Speaker, that when the minister introduced the first bail reform bill in June he imposed on an arresting officer the duty of establishing reasonable grounds for justifying the arrest; no other grounds for arrest were adequate. The minister indicated at that time that any unjustifiable arrest might leave an arresting officer open to civil liability. Following conversations and discussions with police associations across the country, the minister made a substantial change in the bill which he later introduced. He has now set forth guidelines to assist a police officer who is making an arrest without warrant. These guidelines are to be found in section 436 (1) and (2). The police officer is also protected by the law, because the bill states that he shall be deemed to be acting lawfully and in the execution of his duty.

The fact that 90 per cent of all arrests are without warrant indicates the heavy duty imposed on an arresting officer in regard to offences under the Criminal Code. The law is now in the same position that it was in prior to the introduction of the bill—the onus will be on the person arrested to show the arrest was unlawful in order for him to succeed in a civil action. I am not being severely critical of the minister for his making that change. He has had the opportunity of speaking to police officers across the country, so we shall have to await the test of time to determine the adequacy and fairness of this provision.

I recall when we were in committee asking detective Syd Brown whether he had heard of any successful civil actions for unlawful arrest. If my memory serves me correctly, he said that in his 20 or 24 years' experience he had heard of no such successful action. There was certain apprehension on the part of the police in regard to the stringent sections in the Code prior to the second bill that was introduced by the minister. I think the minister will have to give some direction to arresting officers in regard to what they should do when making an arrest. The minister will probably have to set forth some of the charges in connection with which an arrest can be made, so the officer can issue the appearance notice at the time of arrest. I also think the minister will have to give similar indication to the officer in charge of a station before any issuance of a promise to appear on notice.

Time will indicate the effectiveness of these measures. We have given an arresting officer wide discretion, and I expect that in the application of the new law there will be wide variations of application. We shall constantly have to scrutinize the behaviour of arresting officers in relation to charges brought under the Criminal Code.

• (8:50 p.m.)

I am very pleased the minister has included a clause in the bill which gives a magistrate the opportunity, when imposing a sentence, to take into account the time an accused person has spent in jail while awaiting trial. This has been very important in the past when sentence had to be passed. One situation which comes to mind concerns a second offence of driving while impaired. Under the Code, if a person was found guilty of a second offence of driving while impaired the magistrate had no discretion; he had to impose a jail sentence of 14 days minimum or a maximum of 3 months. If such a person did not have bail money it meant that he could spend upward of a month in jail and then would have to serve the mandatory 14 days jail term required by the Code. The provision which gives the magistrate an opportunity to take into account the time in jail spent by an accused while awaiting trial is a great step forward.

My last point is rather important. We have permitted an accused cash bail or other security in cases where he does not ordinarily reside more than 100 miles from the place where he is in custody, with the onus on Crown counsel to demonstrate that none of the other methods are satisfactory. I am sure the Minister of Justice (Mr. Turner) did some mental wrestling in respect of this particular provision and has come up with something which he believes adequate, reasonable and fair. I should like to remind the minister of the question I posed to him the other day concerning students, young people, who will be travelling across Canada during the summer. I can picture many of these young people perhaps getting into trouble with the municipal police and finding themselves in a position of being 100 miles away from their ordinary residence.

It may be that Crown counsel will try to demonstrate there is no satisfactory method of releasing such a person. We heard of cases last summer where a number of students were detained under the vagrancy sections of the Criminal Code. It seems to me we should not continue this practice of harassing young people and students who travel across the country. The only way out in this regard is for the Minister of Justice to rescind the vagrancy sections of the Criminal Code. This would take away from the municipal police the power of harassment in respect of students or young people who travel across Canada. Therefore, I again plead with the Minister of Justice, in my awkward but persuasive style, to bring forward an immediate amendment to the Criminal Code to delete the vagrancy sections and stop police harassment of students who travel across the country in the summer.

Mr. Speaker, at the beginning I said the test of this bill is dependent on the wise discretion exercised by the arresting officer at the scene of the arrest, or by the officer at the station, the justice of the peace, the magis-

trate or the provincial judge in court. I should like to think the minister has taken a bold step forward with regard to protecting people from unlawful arrest and long detention while awaiting trial. I will probably have to wait at least a year to see whether I should throw accolades to the minister or continue the constructive criticism which from time to time I impose on him.

At this stage I am prepared to give the minister credit for this bill. I would say again that it is a mini-step forward with regard to our criminal law processes. I thought the minister took a big step forward in respect of the omnibus bill amendments to the Criminal Code. Now he has taken a mini-step. I should like to see him take another giant step by bringing forward another omnibus bill to take into consideration vagrancy, uniformity of sentencing and many other features with which I am sure he is anxious to proceed.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, may I be allowed to put a short question to the hon. member for Broadview (Mr. Gilbert)?

Mr. Gilbert: Certainly.

Mr. Turner (Ottawa-Carleton): When the hon. member has an opportunity to cast his persuasive mind into the law, would he be good enough to look into the burden of proof that is cast upon someone who is arrested, in establishing a case of false arrest? He will find that the burden of proof has not shifted. Under this bill, the burden of proof remains with the police officer, if the arrest is not justified, to show reasonable and probable cause at the time. I believe the hon. member will find the burden of proof has not shifted.

Mr. Speaker: I wonder whether that is a question. *Hansard,* I trust, will not forget to put a question mark at the end of that statement.

Mr. Gilbert: Mr. Speaker, I am always delighted to have a lecture from the Minister of Justice because, as you know, I have not practised law for four or five years and have become a little rusty. I may have misread that clause, but I await the first successful action in respect of unlawful arrest. When Mr. Brown tells me there has not been such a case in 25 years, I cannot hold my breath while waiting for a successful action.

Mr. F. J. Bigg (Pembina): Mr. Speaker, I am very pleased to see the bill reach this stage. Reform of bail procedures is long overdue. Many anxious parents have wondered where a wandering boy has been, only to find some 24 hours later that he had become involved with the law. In many cases this has not been without cause, because sometimes young people have done something which, if not warranting arrest, warrants their being brought before a justice in order to give an account of themselves.

However, particularly in respect of a young person who has not done anything very serious, who has no record of previous brushes with the law and is a resident of the town concerned, it is particularly distressing for someone to have to go down to the jail and dig him out. It is always distressing. Also, when a young person is a long way from home and is trying to be independent, he does not like to have to phone home to mother the first time he has an extra bottle of beer or breaks an obscure section of the traffic act and finds himself arrested by an overzealous policeman.

I believe I know whereof I speak in this regard because at one time I was a green young policeman anxious for promotion. Sometimes the young green policeman who does not know his job is a little overzealous. He thinks it is easy for the young person to shrug off the fact that he has been arrested or detained. Such a situation is distressing to any well-meaning young person and certainly to all those who are near and dear to him and who have his best interests at heart. So I am glad to see this long overdue improvement made in respect of bail and the laws of arrest. I think, however, that an ounce of prevention—to be trite—is worth a pound of cure. I do not think that even with the law as it was there would have been very many arrests if all our police officers had been well trained in their duties.

• (9:00 p.m.)

Therefore I would appeal to the Minister of Justice (Mr. Turner), because I know this subject is dear to his heart, to see that our police forces are adequately staffed. At present all municipalities are seeking money for low-cost housing, for anti-pollution, and for all sorts of improvements, and I think that the adequate staffing of police forces often takes low priority. I know the minister will use his best offices to encourage our municipalities, provinces and jurisdictions in which the federal government holds sway to ensure that police forces have the proper personnel. It is also very important to give our police forces proper training. I would like to see more facilities provided for our police colleges, not only to train young fellows on the beat but also to train higher ranks and to retrain some of the senior officers who set the tone of the whole police force.

On some occasions—rare, I hope—our police forces have been used as revenue men. Promotions are sometimes based on the number of prosecutions made. If this practice is allowed to go unchecked, a great barrier will be built up between the public and the police. Under no circumstances should we foster the belief that the police are anything but the servants of the public, in the highest sense. They are there for the protection of the public. The police, above all others, should be working to keep our young people out of trouble, rather than to lay traps for them or involve them in unecessary brushes with the law.

Until I read the bill carefully I thought there was a shift of onus which would put policemen on the spot and perhaps involve them in unecessary law suits. But as I read the legislation it seems that very little change is anticipated in this regard, and where a policeman has reasonable grounds for believing that an indictable offence has been committed, his powers will be very much as they were before, except for certain specific instances. He is given the same discretion if he acts in good faith,

comes before the court at the correct time and explains the reasons for the arrest.

I never had any difficulty in this regard; I never arrested a member of the public without having reasonable grounds for doing so. Only too often the grounds are there. A well-meaning policeman, properly trained in the law, should have no difficulty whatsoever in establishing that he was acting in the best public interest, for the people and not against them. I do not think the onus which is put upon the accused or the person who thinks he has been subject to unlawful arrest is very great. Under section 436(3)(b) it appears that the onus is on the accused to establish a case against the policeman. But I think it is right that all he would have to do is allege that the policeman had in fact arrested him falsely, and I am sure that any justice worthy of the name would have the police officer come forward and explain why he thought it was in the best interests of the public to arrest the person.

I was also a little worried that this might be a technical act which would prevent the policeman doing his job while on extended duties, perhaps in the Arctic or in outlying districts where a justice of the peace was not available. However, I see that the onus is not necessarily on the policeman to bring the accused before a justice of the peace in the usual 24-hour period: the usual common sense of the Canadian public will prevail and he can bring the accused before the court within reasonable time. Here again, I do not think it would be difficult for the policeman to show the justice of the peace that it was necessary to bring the accused by dog-team from the Arctic Islands to the officer in charge in Aklavik, Coronation, or some such place where there was an effective or efficient justice of the peace.

So by and large I am pleased to see this long-awaited improvement to the Criminal Code in these two aspects. I have had considerable correspondence on this matter, perhaps because I have been a police officer. I will conclude after making one more request of the Minister of Justice, and that is that I think we are pitifully short of justices of the peace. I think that, particularly in cities, we should have justices of the peace on duty 24 hours a day so that in middle of the night persons arrested, particularly those from out of town, can come before a justice of the peace almost immediately.

With radio-equipped cars and the facilities we now have it should be a simple matter for a policeman to bring an accused before a justice of the peace and put the case before him briefly as to whether or not it is necessary to hold the man in custody. I think that particularly in our cities we should have justices of the peace on call so that these cases could be disposed of and so the onus of keeping the man in custody would not be upon the police. This would help to maintain the excellent relationship we have learned to expect between the police and the public. If the onus of keeping the accused in custody were taken off the police officer on the beat, he would then merely be a fact-finding man. In many cases the policeman is expected to use judicial discretion because the public thinks he is a fact-finder, judge, jury and court of appeal all in one.

[Mr. Bigg.]

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

Some hon. Members: Agreed.

Motion agreed to and bill read the third time and passed.

* * *

YOUNG OFFENDERS ACT

PROVISIONS REGARDING CHILDREN AND YOUNG PERSONS

The House resumed, from Thursday, January 14, consideration of the motion of Mr. Goyer that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs; and the amendment of Mr. Woolliams (page 2381).

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, a great many people across Canada are deeply concerned about this bill, the Young Offenders Act as it is called. Perhaps nothing could more effectively emphasize their concern or the need for modern legislation to deal with children and young people who have committed offences against society than the tragic case raised in this House last Friday by my colleague, the hon. member for Skeena (Mr. Howard). It was the case of a 14-year old boy sentenced to six years in penitentiary for the fatal beating last August of a 14-year old girl near Hope in the Fraser Valley. The boy was high on LSD at the time. It was all a terrible matter—but how was it handled? The judge, sending the boy off for six years to the penitentiary, said he hoped the boy would be sent to a minimum security institution. In other words, it was a case of out of sight, out of mind. What happens to that boy now? My colleague said he thought it was shocking that the boy should be sent to an institution which was nothing less than a school for crime.

• (9:10 p.m.)

The people of the country ask what will happen to this boy when he graduates from that school for crime? We have had a number of cases in my province—and I know there have been similar cases in other provinces—where young people, having been released from such institutions have committed even more dreadful crimes. This was because they had not been given the proper treatment or handled in a way that would guarantee their safe return to society. The case I have cited is an illustration of the failure of our method of dealing with young persons who have committed offences. It also points to the concern which people now have when they are faced with this new legislation.

Clause 4 of the bill reads:

This act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and

discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

But having given this lip service to the parenthood that was never extended to these delinquent young people, the bill forgets all about how successful parenthood works. In fact, it has been described by one official of the John Howard Society as a charter for young criminals. Any hope of providing the guidance and direction that such young people need, if they are to return safely to society, is doomed from the start. The bill starts out by paying lip service to the idea of rehabilitating young people, but then descends to a collection of legal terminology, spelling out the punishment that is to be given to a young person. The most damning criticism of the bill has come in a letter to members of Parliament and Senators from the Canadian Mental Health Association, in these words:

It is, in fact, a criminal code for children, which is distasteful in its terminology, legalistic in its approach and punitive in its effect.

In other words, the bill is clearly based on the old, outmoded concept of crime and punishment rather than on the new thinking of rehabilitation and redirection. Police techniques spelled out in the bill, such as fingerprinting, photographing and the establishment of criminal records that can only be removed under the criminal record act, surely have no place in legislation designed to approximate as nearly as may be the care, custody and discipline of young offenders by parents. If parents were to start out by fingerprinting, photographing and undertaking all these other legalistic things, very shortly they would have less, rather than more, influence over their children.

First of all, Mr. Speaker, we believe that the title of the bill is wrong. It refers to young offenders. We think this should read, as is the case in Britain, the Children and Young Persons Act, or simply the Young Persons Act. But that is the least of our concern. What is more seriously lacking in the bill is provision for an indeterminate sentence for children who have departed from the line of acceptable behaviour in society. How can a judge measure the exact amount of time required for treatment in the case of each individual? People's backgrounds, temperaments and requirements vary tremendously. I notice that Judge Little, chairman of the Ontario Juvenile Court Judges' Committee on Delinquency, commented:

They are assuming that a judge can measure the required amount of treatment. With a time limit, it's like taking a person out of hospital in the middle of treatment.

The Canadian Mental Health Association is even more explicit in this regard. It has stated:

A Criminal Code based on the notion that specific offences merit a specified range of punitive procedures may be appropriate for adults but definitely not for children. A particular offence may be committed by two children of the same age. In one case the total social, emotional and intellectual needs of one child may require only a suspended sentence; while the other child an indefinite and probably prolonged period of re-education, treatment and retraining may be required.

The experience in my province, Mr. Speaker, is that an indeterminate sentence is much better than establishing a time limit, because it allows the people who are dealing with the child to determine, as the child progresses, much more exactly how much time is required. Young people change very greatly during the age range covered by this bill. That brings up another point, Mr. Speaker. We are unhappy about that age range. The bill covers the age from 10 to 17 years. We think that the United Kingdom approach, where 14 is specified as the minimum age, is better; and we believe that 18 years should be set as the upper limit. This is in line with the kind of treatment that is being given in Holland and Sweden, countries which are using a far more flexible method of dealing with young people than that laid out in the legalities of this bill.

What is also lacking in the bill is any provision for after-care and rehabilitation following release. It seems to me that there is not very much sense in holding a young person in custody for months or years and then throwing him back into the same circumstances which caused the commission of the offence in the first place. If this bill is designed to rehabilitate young people and restore them safely to society, provision must be made for after-care and rehabilitation. It is no wonder that Dr. Marcilio, until very recently head of the Toronto Family Court psychiatric unit, was moved to comment:

• (9:20 p.m.)

These children are not young offenders. They are victims of situations, of phychiatric situations and emotional deprivation. Eighty-five per cent of the children who come to the courts need psychiatric understanding, he says, but the proposed bill would disregard a child's need for help.

And Judge William T. Little, chairman of the Ontario Juvenile Court Judges' Committee on Delinquency was quite specific in his criticism of the bill when he said:

The intent of the original act (the Juvenile Delinquents Act) was to have a social objective of the rehabilitation of children. It seems to me this intent has been lost in the new bill.

But it does not come out as rehabilitation and redirection; it comes out into a crime and punishment deal all over again. The minister said that the new bill will treat young people as more responsible beings. Surely, like the rest of us, he ought to know that young delinquents are not responsible, and cannot be responsible, unless we are prepared to provide a whole range of resources to help them. They would not have committed unacceptable social behaviour if they had been responsible human beings. It is useless to expect that by the fact of arrest and committal they will suddenly become responsible human beings.

It seems to me that with this sort of approach we have not learned very much over the last few years. If a whole generation, and perhaps more, of young people is not to be lost under this bill I think we must bring its provisions into line with modern scientific knowledge and thought. I realize that satisfying society's feeling of outrage and guilt by punitive legislation against young offenders might be sufficient for some people: they might

think that this should be the purpose of such legislation. But it is certainly no way to help the young people of today to find their road through this time of confusion and change.

I do not want to minimize the fact that these young people have committed acts which are socially unacceptable. We cannot shut our eyes to that. They have to be treated and rehabilitated, not only so that they come out as human beings able to stand on their own feet but come out safe enough that they can be turned loose in society. They have to come out as responsible human beings. I realize that there are no proper institutions in the provinces at the moment but I think the federal government would be doing what it should if it helped in the financing and staffing of such institutions in order to give young people a chance to become rehabilitated and rebuilt into good citizens.

The Canadian Mental Health Association has said:

> In other words, legislation of this kind should be designed with the interests of this child as its primary concern rather than the seriousness of the offence.

Such legislation should be flexible. It should have in mind that these youngsters should not be forgotten by this legislation when it gets beyond clause 4 which reads:

> This act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision—

These are the ingredients which must go into any program which will help rehabilitate young people. Serious people who have been dealing with young offenders claim that these ingredients are not found in this new bill. In its recommendations, the Canadian Corrections Association stated as follows:

> The decision on whether a child goes to an institution and when he is to leave should rest with the child welfare authorities. Whether a particular child requires placement in an institution, and in which institution, is such a technical decision that it should be made by the child welfare authorities, not by the court. When the court thinks a child cannot be dealt with to advantage on probation, he should make him a ward of the provincial director of child welfare, or appropriate official, who will then make the decision whether foster home placement will meet the requirements of the case or whether an institutional placement is necessary. If institutional placement is indicated, the director of child welfare should decide which institution will best fit the particular child.
>
> Also, the decision as to when the child is ready to leave the institution can be made properly only by the child welfare officials who are in constant contact with his progress in the institution. The consent of the court for the child's removal should not be required.

In other words, Mr. Speaker, we are dealing with very flexible, changing and sensitive organisms when we are dealing with young people who have been bent and twisted, in many cases, by their home environment and the ignorance and neglect of the people who happen to be their parents. This happens all too frequently. If we are to use our best knowledge to try and help young people recover from the early twistings and distortions in their lives, we will have to be a great deal more flexible

[Mrs. MacInnis.]

in our approach and less legalistic than is the case in this legislation.

I should like to reiterate the recommendation made in opening this debate by my colleague from Broadview (Mr. Gilbert), that we should seriously consider giving this legislation a hoist. We should allow the committee to go across the country and talk with people who have had experience in these fields, rather than some lawyers in ivory towers here in Ottawa. Lawyers do not always inhabit ivory towers, but probably too many of them had a hand in drafting this legislation. We have seen that the Canadian Corrections Association, the Canadian Mental Health Association and people like Judge Little in juvenile and family courts across the country are against this legislation because they think it is stiff and punitive.

It is a pity to put ourselves into a legal straitjacket when dealing with flexible human beings in a time of great change. Let us hoist the legislation until such time as we can bring modern thinking and modern penal procedures to the shaping and training of these youngsters.

• (9:30 p.m.)

Mr. F. J. Bigg (Pembina): Mr. Speaker, Bill C-192 purports to improve the penal law affecting young people. I think it is trying to do too much too fast. It is like motherhood—we are all for it. We must be very careful when redefining the criminal law that is to affect young people below legal age, and I use the term "legal age" in anticipation of changes to the bill that will be made either immediately or when the bill goes back to committee.

We are trying to say in this bill that children not of legal age need not accept their full responsibilities in this field: they are not fully responsible in connection with other fields and activities. That does not mean that there is no evil-doing among young people. We make a big mistake if we think that with the stroke of a pen, by changing legalistic terms, we can rid ourselves of evil among human beings who are below legal age. We must be hard headed about this and say when something is wrong. Only by adopting a down to earth approach to these things when they come to our attention can we do something about them.

I trust that we have left the Dark Ages far behind. I hope it will not be necessary for me to speak tonight against the imposition of corporal punishment. I hope that has gone. I do not countenance it, nor do other progressive, well-educated, civilized men.

Mr. Gilbert: That is right.

Mr. Bigg: The first speech I made in this House was on the subject of corporal punishment. I said 13 years ago—and I have had no reason to change my mind—that nobody, but nobody, has the right to inflict corporal punishment on any person unless it is done through love, meaning one's parents. No legally-constituted group or authority, whether composed of psychologists, prison

wardens or anybody else, has the right to punish me bodily. If we must err, let us err on the side of humanity—because unless done with love, corporal punishment does no good whatever. I am in some doubt even about the value of corporal punishment by one's parents. Sometimes as a last resort when she has tried all other psychological means of persuasion, mother applies her hand to that portion of the body which the Lord provided for it. But in society there is no love and, therefore, we must rule out corporal punishment.

When we talk about correction we mean that we must discipline a person. Here, presumably, that means taking away some part or all of one's liberty. I do not understand how in that area this bill takes a forward step. No matter what you call it, under this bill you will take away young people of tender years, lock them up and keep them away from the various sources of love which they most need. Apparently, in this society everything that is worthwhile costs money. I suggest that we must be prepared to pay if we are to be helpful in this field. To begin with, I think we might devote a sum—I take this figure out of my hat—of $20 million, which is only $1 for every man, woman and child in Canada, and set the money aside for proper research and groundwork in this subject. It is no good setting up institutions, reforming our laws and bringing in well-meaning changes if we do not know exactly what we are doing.

I do not think all our psychologists, social workers, policemen, lawyers, judges and members of Parliament put together can come up with a plan which will eliminate juvenile delinquency or criminal actions among young people. On the other hand, we must take a positive step now; it is long overdue, because thousands of lives have been broken as the result of our neglect in this important field. There are not enough psychologists, sociologists and allied workers in this field, and as a result I suppose we shall be forced to segregate these young people in institutions from other, so-called normal children. We must have a plan in this field.

I think this bill is hasty. If I may use a lawyer's term, I think we are putting these young offenders, or these young people who have made mistakes, in double jeopardy. We say we will not make criminals out of them, but the logic of this bill seems to indicate that we will take away their liberty and put them in the custody of people who in many cases are not trained in this field and are not willing to give the attention, technical care and skill that these young people require. They need highly skilled care.

We are expressing a pious wish when we say these institutions will give the young people concerned the kind of care a child may expect from his parents. I presume we mean good parents when we say that. In the present complicated society in which we are trying to raise children in concrete tanks instead of natural surroundings, it is not easy to raise children who are happy and well adjusted. Yet presumably we will incarcerate these young people in institutions and leave them in the care of untrained persons who will not provide the kind of care that, in our pious hope, we wish for. They will not take the place of parents and it is patently impossible for them to do so at present. I say that we must act, even though it may now be too late, and spend money to train the necessary personnel. We must be very careful to make sure that the groundwork is done.

The bill suggests, Mr. Speaker, that we treat these young offenders as persons who will be locked up until they reach the age of 21, or legal age—which may be 18 by the time the act is amended. We are to keep them locked up until they reach legal age and then, in some cases, try them for their previous crimes as fully-grown criminals. The trial might be 11 years after the crime, misdemeanour or breach of society's rules: it does not matter what nice name one wants to call it. Ten or 11 years after the crime committed by the child, the fully-grown person will be tried. What kind of necromancy will take place in connection with a person who grows up in an institution, facing a trial for something which he committed half a generation ago? During those 10 or 11 years he is expected to grow like a well-watered flower in the greenhouse.

What kind of personality do you think a child will develop if for 11 years he lives under the shadow of delayed justice and does not know what will happen to him? If he is charged with a capital offence, he might be sentenced to another ten years in custody. Then you will find a person of 30 leaving jail and trying to adjust to society. It is not necessary to be a psychologist to know what kind of a twisted human being we will have in those circumstances.

• (9:40 p.m.)

I have had experience with the law. The best way to prevent a crime or misdemeanour is to convince a young person that there is a better way of life. He must be shown that if he does something wrong, justice will be swift: it may not be fierce, but it will be sure, fair and swift. He must be convinced that the sooner he starts back on the right road, the better. In a civilized society, rehabilitation is the only excuse for having anything to do with these people. They must be brought back into productive society as quickly as possible, with little emphasis on revenge and much emphasis on understanding and forgiveness. There should be no suggestion of a ten-year delay in getting at the root of the problem. A young person must be convinced that there is a proper place for him in society. He must be told that he is a person who counts, who will fit in and will come into contact with the love of the human race.

We must go out on the highways and into the hedges to locate those who like young people. We must not only attract them by high wages: we require well trained, dedicated people to take charge of young offenders. Even with such people it will be impossible to replace parents, family, race, religion and persuasion. These people must be given the same start in life which many of us had by the accident of birth.

This all boils down to the fact that we are leaving out one of the most important elements—the willingness of

the Canadian people to pay. This cannot be done easily. What kind of institutions are they going to be put in? Are they going to be put in places like Bordeaux jail, well-meaning orphanages or industrial schools? The people who operate these institutions are no doubt well-meaning, but it is shocking to know how often corporal punishment is administered. Corporal punishment which is administered, without love and understanding, to a child is completely wasted. The results inevitably bend the stick in the wrong direction. To beat a child you do not love will make him more hateful than before he committed the offence, midsdemeanour or whatever polite name it may be called when he does something of which we disapprove.

More social workers, psychologists and nurses must be trained. A great deal more than that is necessary. People are also required to look after recreation, including such things as teaching young offenders to play football. The people who staff our institutions are of a very high moral order. It is no exaggeration to say that a young male may be put in jail for three or four years for statutory rape. Statutory rape is committed when a boy of 16, for example, takes full responsibility for experimenting sexually. Where is the benefit of the doubt here? In Alberta, a boy of 16 can be jailed for contributing to juvenile delinquency because he had relations with a girl 24 hours short of her eighteenth birthday. Where is the benefit of the doubt there? If he is guilty of this offence, he may spend four or five of his difficult adolescent years in jail under homosexual guards—and certainly under the great threat of homosexual inmates.

The people looking after this young person should have the wisdom of Solomon and the integrity of a Roman mother. Where will we find such people? If we do not find such people, these young people will return to society after four or five years in such an institution so badly twisted that they will never become normal citizens. This will not be accomplished by this bill, the pious hope that we have done all we can for our young people because we no longer call them criminals. We are treating them like criminals; in fact, we are placing them in double jeopardy.

I do not suggest that the bill was not introduced with the best intentions. It has often been said that the road to hell is paved with good intentions. Are the good intentions to put young people into inadequate institutions, improperly staffed and subject them to the vagaries of sadistic guards or people who will use half-baked psychology upon them in an attempt to turn them into well adjusted, well trained, happy citizens? It is an impossibility! The members of organizations such as the John Howard Society and the Elizabeth Fry Society can do something significant. Their funds should be enormously implemented. These dedicated people are now working to the best of their ability in institutions in which people are called criminals. How much more would they be willing to extend their facilities if we put a little money into their care and trained more of the same kind of people to move in with these young people to make a home as closely as possibly to a normal home? I am not necessarily speaking of people with university degrees, but people brought out of such societies as I have mentioned, the John Howard Society and the Elizabeth Fry Society, men and women with a degree of common sense.

• (9:50 p.m.)

The work they have already done in connection with paroles is wonderful, and I suggest that the emphasis should be on parole. The emphasis should be on getting these young people outside the prison walls as fast as we can and into surroundings as normal, happy and homelike as we can. The whole emphasis should be on de-institutionalizing the whole process.

As my experience has been for most of my life with delinquents, both of legal age and under legal age, I am not suggesting we should not hold hearings. I am not suggesting we should not bring to the attention of young people the fact that society is not happy with the way they sometimes behave. On the contrary, we need more staff, we need more and better trained policemen, more knowledgeable magistrates to see that these young people get a proper hearing.

Only a few months ago I was talking about bail and an improvement in the bail laws so that we do not confine young people unnecessarily in jail, not even for an hour, if there is any way of making sure that they are not deprived of their liberty and if they can be brought before a justice of the peace or a justice of the court and have their case explained on neutral ground. As a former police officer, I would have been delighted at any time to have shared the responsibility for an arrest and the judicial part of the judgment with a reasonable man in the community respected at all levels of society, a man who had no axe to grind, no promotion to expect, a man who in many cases had an intimate knowledge of young people. He should be such a person. He should be a person who knows the young people in the community, and he should be able to say, "In my opinion this young man need not be kept in custody." That is the kind of person we need on the bench. It is people of this kind who should screen our children of tender years, the most important natural resource we have, and it is with this original judgment that the whole future of this child and/or his family should be determined.

Improvements in the law will be an empty gesture unless we have enough people who make it their business to see that these young people are not damaged and that young people who have already been damaged are not further damaged by the well-meaning custody of people who are inadequately trained to look after them or help them once we have taken them out of circulation. It is ridiculous to try to set rules for treating ten-year old children in exactly the same way as you would treat a 17-year old. This act must be more flexible than it is in its present state.

Again I come back to the idea that we must have men of common sense and training to decide that a child must be treated as a child. When a boy is getting to be 16 or 17 years of age—when he should be, and certainly could

be, a man—he must not be treated as if he were a child of tender years. He must be shown that he owes it to himself and to society to accept some of the responsibility for his own rehabilitation. It would be ridiculous to take a boy of 16, in many cases fully capable of earning his own living, fully capable of fighting his way as a physical specimen through the world, and treat him as if he were a child just out of his mother's arms.

This bill should be divided into two parts so that we could get our thinking straight. One of those parts should be, if you like, a bill of rights for young people. We could put in it all the wishes, all the fine hopes for what we would do with young people. On the other hand, we should reform the criminal law in such a manner that a real effort would be made to set these young people on the road to recovery and to self-improvement. The only way of doing this is to completely forget any talk of punishment and revenue. The emphasis must be on providing an atmosphere which is closest to a happy home. An understanding of a child's needs should begin the day the authorities are aware that he has done something of which they disapprove. He must have competent help from social workers, psychologists, doctors and many people who do not fit into professional categories but who should be encouraged to give of their time and attention.

Mr. Speaker: Order. I regret to interrupt the hon. member, but it being ten o'clock a motion to adjourn the House is deemed to have been moved and seconded.

PROCEEDINGS ON ADJOURNMENT MOTION

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

CITIZENSHIP—REQUEST FOR REPORT ON CHARGES BY ALEX BANDY OF FALSEHOOD, DECEPTION AND INEFFICIENCY

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, a few days ago I asked the Minister without Portfolio in charge of citizenship if he would make a full report to the House in connection with charges of falsehood, deception and inefficiency levelled against the citizenship branch by a man in its employ, Alex Bandy of Vancouver.

The minister evaded a direct reply by indicating that the matter could be raised in the committee studying his estimates, and that as a member of this House I could discuss it there. I do not think this is good enough. The hiring and firing of Alex Bandy has raised a number of important questions involving government and public alike. Tonight I propose to ask some of these questions in the hope that this time the minister will realize the need for answers to be given in the House.

Why was Alex Bandy hired in the first place? As one of the leading figures at the poor people's conference from January 7-10, he was obviously acceptable to and trusted by low-income people on the west coast. Indeed,

he had been the secretary of the Unemployed Citizens Welfare Improvement Council in Vancouver for some time. The citizenship branch hired him on January 15, five days after the conference ended. Why did they hire him? According to Marian Bruce, in the Vancouver *Sun* of March 15, he believed his job was to discuss with low-income groups the possibility of government funding for community service projects initiated by the organizations. But in February, he said, he was ordered to start gathering information about the groups, how strong each organization was and what each group's make-up was in terms of age, ethnic background and militancy.

• (10:00 p.m.)

Meanwhile, from the moment of his appointment on January 15 he was under fire, first from British Columbia rehabilitation minister Philip Gaglardi and other Social Crediters in the B.C. legislature. They were joined by Liberal MPs from British Columbia, one of whom declared that the appointment of "aggressive demonstrators" like Bandy was unacceptable to British Columbia's 15 Liberal MPs. Apparently there was little or no consideration given to the fact that he was accepted by British Columbia's low-income groups.

Up to this point Alex Bandy had refrained from public comment, partly, he said, because Ottawa ordered him to remain silent. But the avalanche of political criticism, plus what he regarded as the political investigation he was ordered to conduct into low-income groups, proved too much. He spoke out vigorously, attacking the project on which he was employed as a "pacification project" designed to pacify and control poor people's organizations. He said the $44,000 spent on the project was a waste of taxpayers' money; that it could have been spent much better in direct funding to citizen groups. From the point of view of helping poor people, this money had been wasted, and so he was fired by the citizenship branch. I suppose technically his contract ran out.

A story by John Clarke, of British Columbia, in the *Globe and Mail* of March 20 says that according to federal officials Alex Bandy's project was part of an over-all scheme by Ottawa to help poor people's groups to develop a stronger voice in influencing national policies. It was meant to give the poor as much chance as business, labour and other groups to influence government programs. If this is so, why did the government crack down on Alex Bandy when he started to criticize the direction the project was taking, which according to him was not the direction it was taking when he was first employed? The government certainly knew that Alex Bandy was an outspoken person. Was that why they hired him—so that he could articulate what the poor people were thinking? Or did they hire him with the idea that they could silence him when his opinion differed from that of the government? Is the government now going to give up trying to help poor people organize themselves? Or will it look for more "Uncle Toms" to be grateful to be taken on staff—grateful and silenced?

These are all questions that need answering. I believe the minister owes it to the taxpayers, and the low-income

groups particularly, to give us a full account of the Alex Bandy affair.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, the reply on behalf of the minister reads as follows. The federal government knew the risk it was running in appointing Alex Bandy to organize low-income groups outside the lower mainland. But to the federal government he had one thing going for him: he apparently could identify with the poor and the underprivileged. It obviously felt he could be a point of contact with the poor in its action, its research and stimulation of an employment project that was meant to help give them a voice in national policy development in the same way as business, labour and other groups. He has now thrown the job back in Ottawa's face with a confession that betrays the trust the government had placed in him and exposes a lack of understanding of the job. He says, "The idea of sending poor people out to research after poor people is giving some people a vested interest in poverty".

This is unworthy of a daring and imaginative proposal to get the picture of poverty from the inside, from those who suffer from it rather than from an army of social workers and statisticians. Surely, the government was saying, "We know about poverty from the outside; let's hear from the inside." To characterize it as a political subterfuge is misunderstanding the program's purpose and may deny the poor access to the one institution that can really help them, the government.

GOVERNMENT ORGANIZATION—PROPOSED MINISTRIES OF STATE

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, on March 17, in reply to a question by the hon. member for Prince Edward-Hastings (Mr. Hees) the Prime Minister (Mr. Trudeau) dealt with the appointment of a science ministry. As recorded at page 4347 of *Hansard*, the right hon. gentleman stated:

> As soon as the House sees fit to pass the government reorganization bill we shall consider the appointment of a minister to deal with science matters.

I followed with a supplementary question in which I asked, in part, whether he would undertake to tell us, when the appropriate stage of the reorganization bill is reached in committee of the whole House, what other ministries of state, in addition to science, he proposes to set up in the near future. The Prime Minister replied:

> Indication has already been given that we would wish to have a minister of state designated for the purpose of looking at housing and urban affairs. That is one other area.

He then mentioned environment, but environment is specifically mentioned in the organization bill. Then later he said:

> —obviously I cannot foretell which areas might have to be covered by special ministers in the future. I have just mentioned two and it seems to me this clearly indicates the urgency attached to the passing of this bill by the House.

That is his argument. I thereupon looked back at the Throne Speech debate to see how the Throne Speech dealt with the ministries of state. I found these specific references:

> To foster co-ordination of the activities of all levels of government, and to contribute to sound urban growth and development, the government proposes the reorganization of its urban activities under the direction of a minister of state for urban affairs and housing.

In the next paragraph there is this reference:

> —the government will consider with care measures recommended by the Senate Committee on Science Policy and the Science Council of Canada.

Several paragraphs later we find this:

> There will be proposed the establishment of a department to be concerned with the environment and the husbanding of those renewable resources that are part of and dependent upon it, with a mandate for the protection of the biosphere.

There, Mr. Speaker, are the references to the guts of the matter of reorganization. Perhaps it should be noted that the Minister without Portfolio (Mr. Andras), who speaks for the government on housing, mentioned in the special one-day debate on the report of the Royal Commission on the Status of Women that perhaps there would be a minister responsible for that as well. So we are probably being told by the government there will be a ministry of science, a ministry to deal with urban affairs and perhaps a ministry to deal with women. The Prime Minister suggests these can be established very quickly by the passage of his organization bill.

I am here tonight because I believe it must be made abundantly clear to the Prime Minister and his colleagues, if they do not know it now, that there are members on the opposition side and indeed on the government side who would like to make suggestions concerning what a minister of urban affairs should do; that there are members on all sides who would like to make known to the government what they believe any organization concerned with science matters should do; and that there are any number of members, if we are to have a minister responsible for the affairs and problems of the ladies of Canada, who I am sure would like to acquaint that person with their views concerning what his responsibilities should be and how they should be established.

So by laying out on *Hansard* the answer he did, the Prime Minister has in effect let a very large cat out of the bag. It is impossible now to take the organization bill and go through it quickly, because we know that when we come to the matter of the creation of these ministries of state we will have to put forward our views on urban affairs, on science policy and on the problems set out in the report of the Royal Commission on the Status of Women. That will be our only opportunity to do so. If we do not speak on the organization bill we will suddenly find ourselves presented by the Prime Minister and the government with a *fait accompli* and the people will ask where we dunces were and why we had no suggestions or ideas to present to the government in setting up these ministries.

• (10:10 p.m.)

So if the government did not realize what problem existed before with regard to its organization bill, let me

tell them that now they know and they had better get it divided first if they want some of the things like environment put into operation quickly, because I am afraid these other things will take a long, long time.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I am delighted to answer my friend, the hon. member for Halifax-East Hants (Mr. McCleave). Perhaps his closing words are the best reason for passing this bill as rapidly as possible, because it presents the dilemma of trying to speed up the work of this House to try to obtain the apparatus of government which will allow us to deal with very important matters. Yet we see some very small issues on which the business of the House can be tied up for a great length of time.

The ministry for housing and urban affairs has been mentioned and it is quite clear to everyone that it is a priority for this government, as is the ministry of science. As was mentioned by the Minister without Portfolio responsible for housing (Mr. Andras), the establishment of a ministry concerned with the status of women is another possibility.

Some hon. Members: Hear, hear!

Mr. Danson: But the bill itself does give this flexibility to move. However, it raises the dilemma, which the hon. member mentioned, of how much debate we can stand and yet get along with the business of the House, with the things which we must do: what is the proper balance of debate that is essential to get the full expression of views from all sides of the House? It does give the government the flexibility to move without having to present a whole new reorganization bill each time it proves desirable for new ministries to be established. The concept of the ministries as policy-making groups, to avoid setting up a large bureaucracy and to have research and study in fields in which we are all concerned, is not in dispute. But it is impossible at this time to specify what additional ministries there might be if indeed they are ever filled.

The purpose is to give flexibility at that time. The three ministries which have been mentioned certainly have high priority for all of us in the House, particularly the hon. member for Halifax-East Hants, the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and others who are concerned about these three very vital matters to our country.

FINANCE—STUDENT LOANS—SUGGESTED CHANGE IN REPAYMENT REQUIRED

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, on March 8 I asked a question of the Minister of Finance (Mr. Benson) regarding the repayment of student loans. My question was as follows:

In view of the present and expected high rate of student unemployment, will the minister consider making amendments to the student loan regulations so that students will not have to commence repayment of loans until six months after obtaining employment rather than six months after completion of studies, as is the case today?

Proceedings on Adjournment Motion

In reply, the Minister of Finance said:

Mr. Speaker, this matter comes up for discussion each year between the provinces and ourselves. Of course, my hon. friend knows that where special circumstances exist the lending institutions can make provision whereby the repayment of a loan is deferred until the student is employed. Indeed, the repayment period can be extended up to ten years; the specified starting date can be varied by the lending institution.

Concern about this matter was first brought to my attention by one or two students who were concerned about finding employment upon graduation. As you know, today in Canada there are many students, not only those with B.A's but those who have Master's degrees and even Ph.D's who cannot find employment. Many of these students run up very large bills in student loans. This is also a concern of those who are not graduating from university, who for one reason or another have quit their studies. One of the reasons may have been lack of funds to finance their university education. In any case, Mr. Speaker, there is concern among many students about repayment of student loans.

Of course, all students want to repay these loans as soon as they can, but many of them cannot find jobs. If they cannot work out an arrangement with the bank or lending institution, they are in a real bind. The Minister of Finance said that special arrangements can be made with lending institutions. I would like to see provision for this written into the regulations, so that if a student cannot find a job he will not have to commence repayment of his loan.

Another matter which has been brought to my attention is that if a lending institution allows deferment of payment until the student has obtained employment, the student cannot obtain the same privilege that he had with regard to interest on the loan. If the government does consider amending the regulations, it should also take into consideration the matter of interest on student loans.

The reason this question comes to the fore today is that there is a great deal of unemployment in Canada. I do not want to get into a debate on that, except to say that possibly we have the highest unemployment rate in the industrial world. Some 8.1 per cent of our work force is unemployed. The government says this will be augmented by 1.8 million students, high school students, university students and post-graduate students this summer. When this happens, many students will have great difficulty finding employment. Even without taking students into account, the young people of Canada are bearing the brunt of the unemployment crisis because nearly half the unemployed are under the age of 25 years.

I would like the parliamentary secretary to give serious consideration tonight to this very small, piecemeal change or amendment to the student loans regulations, which would help students who will not be able to find jobs this summer and, more particularly, those who cannot find jobs upon completion of their university studies. I realize this would be only a very small step, but it would be better than nothing.

In the meantime, I hope the government will begin re-thinking its whole philosophy with respect to educa-

tion, because I do not think the financial background of a student's parents or of a student himself should be the determining factor in deciding whether or not he can continue his studies at the post-secondary educational level. I ask the parliamentary secretary to use his influence with the minister to amend the regulations and not leave it up to the financial institutions. I would also like him to persuade the minister that interest rates be considered when talking about deferred payment of loans. This would be one small step that would help many students as they fight to obtain university or post-secondary education.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, in the first place I should indicate that the government does not accept the forecast the hon. member has made regarding the consequences of students coming on the labour force, whether permanently or on a temporary basis, this year. There is certainly no admission or acknowledgement by the government that there are likely to be 1.8 million more unemployed people in Canada when the students come out of school this summer, as the hon. member would have us believe.

However, to deal specifically with the question he has asked, under the present legislation a student is not required to pay interest on a Canada student loan while he is a full-time student at an institution of learning that offers courses at the post-secondary level and which is so designated by the province concerned. For a further period of six months after he ceases to be a full-time student, he is not required to pay any interest nor is he obligated to make any payments on the principal of the loan.

• (10:20 p.m.)

The regulations under the Canada Student Loans Act contemplate circumstances when a borrower may encounter temporary difficulties which will result in undue hardship if he must repay his loan under the terms originally agreed with the bank. Accordingly, provision is made for the bank, in consultation with the borrower, to revise any or all terms of repayment. I should emphasize that any revision is a matter for decision by the banks, subject to the overriding requirement of the act that any loan must be repaid in full within a maximum period of ten years. Repayment terms may, with the approval of the Minister of Finance, be revised to include for a period of time the payment of interest only and, in exceptional circumstances, for no payment at all.

Motion agreed to and the House adjourned at 10.23 p.m.

HOUSE OF COMMONS

Tuesday, March 23, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

CONSTITUTION OF CANADA

Second report of Special Joint Committee on the Constitution of Canada—Mr. MacGuigan.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

THE CANADIAN ECONOMY

HOME OIL COMPANY—STATEMENT ON STATUS OF NEGOTIATIONS BY GOVERNMENT TO ACQUIRE CONTROLLING INTEREST

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I would like to make a statement concerning Home Oil Company Limited.

On the evening of Thursday, March 11, 1971, after the close of the stock markets, I advised the House that negotiations had begun that evening for the purpose of considering the possibility of acquiring from R. A. Brown, Jr., his controlling position in Cygnus Corporation Limited. I advised that I would give a further report in the event such negotiations reached a stage of firm understanding.

Negotiations have not reached such a stage, and we do not think it is either in Mr. Brown's interest or in the public interest for any statement to be made at this time regarding the details of these negotiations to date. The objective of the government throughout has been to retain Canadian majority ownership and full Canadian control of Home Oil. I believe this also was the clear consensus of this House as demonstrated by all parties in the debate of February 18 last.

The main effort of the government in past months has been to assist Mr. Brown to find a satisfactory transaction in the Canadian business sector. The Prime Minister (Mr. Trudeau) on March 16, 1971, confirmed this position to the House. Mr. Brown has advised the government that he clearly understands the desire of the Canadian government. He has indicated to the government his intent to pursue the sale of his interest with interested Canadian private buyers who have now evinced an interest to purchase. This is in complete accord with the government's oft-stated objectives in the matter. The government will, to the end of these objectives, continue to keep the situation under surveillance.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I am glad that this statement has been made, if only to put an end to the cat and mouse game of late yesterday afternoon when it was stated that the minister would be making an announcement. I do not know if the purpose was just to titillate some people, but in any event we saw an unedifying tag game with the minister on this particular subject.

This statement is another clear indication of delay with respect to the government's oft-promised but as often delayed statement of its position with regard to foreign ownership. If we continue to get procrastination of the government with regard to this statement and continue to face ad hoc propositions it frankly creates an impossible situation for Canadian companies.

• (2:10 p.m.)

If the government is really interested in maintaining Canadian ownership of Home Oil, the best thing the Minister of Energy, Mines and Resources can do is to get an undertaking from the Minister of Finance that the appropriate tax changes will be made which will put Canadian purchasers on an equal basis to that of American bidders. This is the biggest problem. It is no secret that there is a wide gap between the American and Canadian offers. This is mainly caused by the nonsensical position in which the changes in estate tax and in income tax, both personal and corporate, have placed Canadian industry and financiers in attempting to take over other Canadian industries.

We hope that present efforts will result in keeping Home Oil in Canada. On the other hand, there are some people who say that, because we have control of the marketing of oil and so on, the end of the world would not come if Home Oil did not remain in Canadian hands.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, we in this party are disappointed that the Minister of Energy, Mines and Resources has not been able to work out a satisfactory deal with Mr. Brown, the president of Cygnus Corporation which in turn controls Home Oil. The minister said in his statement: "The objective of the government throughout has been to retain Canadian majority ownership and full Canadian control of Home Oil."

Some hon. Members: Hear, hear!

Mr. Douglas: Mr. Speaker, we support the minister and the government in this objective. Our whole purpose in raising this matter from time to time is to ensure that Home Oil will remain under Canadian ownership and control. Contrary to the views of the previous speaker, I think it would be a tragedy if the ownership of Home Oil passed out of Canadian hands.

Some hon. Members: Hear, hear!

Mr. Douglas: This is one of the few oil companies in Canada which is capable of becoming a major company. In my opinion, it is a tragedy for any country to have all of its oil production and processing in the hands of foreign corporations. It is a very poor indication of a country's national pride and sense of national identity.

The minister has not made it clear whether the federal government's offer has been withdrawn. He indicates that Mr. Brown has conveyed to the government the fact that he intends to pursue the sale of his interest in Home Oil with interested Canadian private buyers. If those negotiations are successful and the company is kept in Canadian hands we will be satisfied. If these negotiations do not result in a Canadian consortium acquiring ownership and control of Home Oil, I hope the minister can assure us that he will still endeavour to see that control of the company remains in Canada.

The minister may say, as he has on previous occasions, that he does not have the necessary power to ensure that ownership of this company does not pass out of Canadian hands. I say, Mr. Speaker, that the lack is not a lack of power; it is the lack of a government policy on foreign ownership.

Some hon. Members: Hear, hear!

Mr. Douglas: It is over three years since a royal commission reported on this matter. All this time we have been waiting for the government to produce a policy on foreign ownership. The Minister of National Revenue, who is charged with this responsibility, has not yet produced a white paper and the government has not yet produced a policy. We shall continue to face problems like the problem of Home Oil Company until the government gets busy and produces a policy on foreign ownership in this country.

[*Translation*]

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, we are pleased by the government's cautious approach to the settlement of the Home Oil problem, even though negotiations may not be as satisfactory as the minister might have wished.

We also feel, as we have already mentioned here, that ownership of the oil industry in Canada should remain entirely in Canadian hands, while suggesting that, as other members have pointed out, there is some contradiction in the fact that, where American investments in Canada are concerned, it is unfortunately more profitable to be American than Canadian. That seems illogical to us and we trust that before long the government will be able to review its fiscal and customs policies concerning American investments in Canada, in order to allow Canadians who would like to negotiate in such circumstances to have at least the same opportunities. We are not asking more than that, in spite of the fact that we should have more than that.

I know the minister seems to want to make some efforts with a view to keeping the oil industry wholly Canadian, but I am not yet convinced that the Minister of National Revenue (Mr. Gray), is very helpful in that regard.

[*English*]

ORAL QUESTION PERIOD

LABOUR CONDITIONS

UNEMPLOYMENT—FURTHER MEASURES TO STIMULATE ECONOMY

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, may I direct a question to the Prime Minister. As the 97,000 people who are taking job training at present because they cannot find jobs, when added to the 675,000 who are listed as unemployed by the Dominion Bureau of Statistics, bring the total of unemployed to 772,000 for the month of February, or 7.1 per cent of the work force seasonally adjusted, the highest seasonally adjusted figure since the 1930's, would the Prime Minister advise the House if the government will not now reconsider its decision not to stimulate the economy and, by stimulating the economy, counteract this very serious trend which is causing great hardship and suffering throughout the country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the hon. member might know that we are in fact, stimulating the economy, that we began a series of stimulations last March and that they have been added to successively over the following months. The hon. member knows that these measures come into effect with a certain lead time, and the effect is being felt now. If he will look at the economic indicators he will see that actually the economy is being stimulated to a substantial degree.

Mr. Hees: Does the Prime Minister not realize, having examined those figures, that those things which were supposed to be stimulated by the measures that the Prime Minister has referred to have not moved forward during the past 12 months at any greater pace than they moved in the preceding 12 months, and does he not therefore realize that the moves that the government claims to have made have been completely useless?

Mr. Trudeau: Mr. Speaker, that is not in accordance with the facts and therefore I do not "realize" this, as the hon. member says.

Mr. Hees: Mr. Speaker, it is in accordance with the facts, and if the Prime Minister would take the trouble to study them he will find that this is so.

* * *

OIL

PIPELINES—AMENDMENT OF NATIONAL ENERGY BOARD ACT TO PROVIDE FOR CONSIDERATION OF ECOLOGICAL STUDIES IN PROCESSING APPLICATIONS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct a question to the Minister of Energy, Mines and Resources arising out of the statement of the Minister of Fisheries and Forestry to the effect that the National Energy Board Act should be amended to provide that pipeline companies must present not only engineering and economic data but ecological data as well. Since this is in line with a statement the minister made

in answer to a question of mine a couple of weeks ago, can he assure the House that some amendment to the National Energy Board Act will be brought in at this session to provide that ecological studies will be part of the process when the National Energy Board is discussing applications for the construction of pipelines?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): In my understanding, Mr. Speaker, the National Energy Board has construed the Act as meaning that they do this at the present time. But as the hon. member properly pointed out in the House, it merely refers to public interest or public good and does not specify ecological research as such. The suggestion made in the House by the hon. member is under active consideration. I hope to have some report to make in that regard in the very near future.

PIPELINES—PROVISION OF VETO POWER OR DELAYING CAPABILITY TO PROPOSED DEPARTMENT OF THE ENVIRONMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question for the Minister of Fisheries and Forestry. In view of his statement during the same interview to the effect that the new department of the environment ought to have either veto power or delaying capability with respect to the construction of pipelines, does the minister intend to introduce an amendment to the government organization bill, which is now before the House, to give to the new department this veto power or delaying capability?

Hon. Jack Davis (Minister of Fisheries and Forestry): No, Mr. Speaker. There is no intention of amending the legislation. I think it is appropriate as it stands.

Mr. Douglas: If the minister does not intend to introduce an amendment, where will this new department get the power which the minister has said is most essential?

INDICATIONS THAT TRANS-ALASKA PIPELINE WILL NOT BE PROCEEDED WITH

Mr. Erik Nielsen (Yukon): I have a supplementary question for the Minister of Energy, Mines and Resources. Has the minister or any member of the government received any communication from the United States government, the government of the state of Alaska or any other source that the proposed TAPS pipeline will not be proceeded with?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I have not received any communication that it will not be proceeded with. However, I have noted the reports of the various environmental committees. I have noted the report of the United States Department of Defence and, within the last day or two, the report of the United States Department of Agriculture, all of which are critical of the construction of such a pipeline. Certainly this lends moment to the question of an alternative route, and it is extremely important that we in Canada consider the potential of the alternative route in light of these opposing factions to the TAPS line.

Inquiries of the Ministry

PROPOSED MACKENZIE VALLEY PIPELINE—MEETING WITH COMPANY PRESIDENTS—GOVERNMENT POSITION

Mr. Louis-Roland Comeau (South Western Nova): I have a supplementary question. I understand that the minister was supposed to meet with the oil interests yesterday, and I have not seen anything to the contrary. Is it tomorrow? If the minister or officials of his department have met with these people, what position did the government take? If they have not yet met, what position will they take?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the Minister of Indian Affairs and Northern Development and myself, the ministers who, by the guidelines, are to be contacted in the event of a possible application, are meeting tomorrow with the oil company presidents. These are exploratory discussions to ascertain the position of the companies vis-à-vis the potential alternative route and to determine what research has been done by them. They are strictly in the nature of exploratory discussions. No firm position will be taken at these meetings.

PIPELINES—EXPERIMENT AT INUVIK—TYPE OF STUDY—REPORT ON FINDINGS

Mr. Paul Yewchuk (Athabaska): I have a supplementary question for the Minister of Energy, Mines and Resources. It is with reference to the experimental pipeline at Inuvik where a private group of the oil industry is studying the effects of a hot pipeline on permafrost. Can the minister indicate what kind of a study this is? Is it an engineering study, is an ecologist attached to the study group, and has the government received any report on the findings of this group so far?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): This is a test pipeline. There are two pipelines there, one suspended above ground and the other on a gravel berm. These are in the second winter of testing the flow of hot oil through the pipeline. Our officials, as well as those of various government departments, have had full access to all information and have been permitted to attend on site whenever they wish to take part in the experiments themselves. I do not believe there has been a report as such to date, but access to all technical and scientific information has been available to all departments of government.

Mr. Yewchuk: The minister did not say whether there was an ecologist attached to this study.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—REPORTED POTENTIAL LOSS TO BRITISH COLUMBIA FISHING INDUSTRY

Mr. Thomas S. Barnett (Comox-Alberni): I should like to direct a supplementary question to the Minister of Fisheries and Forestry. It relates to a question I put to his colleague, the Minister of Indian Affairs and Northern Development, last week. Can the minister tell us whether he or his department have under assessment and review a report from a source within the Department of Com-

merce of the United States that the construction of a pipeline and the operation of an oil tanker route down the Pacific coast could mean the loss of $100 million a year to the west coast fisheries?

Hon. Jack Davis (Minister of Fisheries and Forestry): Yes, it is under review from an environmental point of view.

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[*Translation*]

MANPOWER

USE OF UNEMPLOYED AND STUDENTS INSTEAD OF WEST INDIANS TO PICK FRUIT

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Prime Minister.

A few days ago, the Minister of Manpower and Immigration announced that seasonal workers from the West Indies would be hired this summer to help in picking and canning fruits and vegetables in Ontario. Could the Prime Minister then consider the possibility of assigning this work to our unemployed or to our students who for the most part will not find jobs this summer?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this is a perennial problem and it must be recognized that this is a type of work that very often students or unemployed will not do. This is why the Department of Manpower and Immigration is admitting foreign workers on our labour market. Should students be willing to undertake this work, they would certainly have the preference.

I am not cognizant with the specific case the hon. member is referring to, but I know that this is a problem which comes up year after year with respect to certain types of work.

Mr. Laprise: Mr. Speaker, a supplementary question.

Would the Prime Minister consider inviting the young people to do that work during the holidays, not only in Ontario where fruit and vegetables are grown, but in every province? This would be much more efficient than having them travel.

Mr. Trudeau: Mr. Speaker, I agree with the hon. member on that score. The purpose of the Manpower Centres is to send the unemployed or the students to take part in this work. But, once again, facts reveal that there are in Canada some types of work which the unemployed and the students refuse to do; this proves, by the way, that the rate of unemployment is at times somewhat artificial.

PROVISION OF WORK FOR CANADIANS IN FOREIGN COUNTRIES

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask a supplementary question.

May I ask the right hon. Prime Minister, in view of these opportunities to receive unemployed people from abroad, whether the Canadian government has any agreements to enable Canadians to work in foreign countries?

[Mr. Barnett.]

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, there is another series of programs concerning international exchanges. We send a number of students to work abroad, and in return foreign students come to work in Canada.

But this is a different matter from that raised by the member of the Ralliement Créditiste, and where indeed there has been no exchange, where there is work which could not be done if workers from the Caribbean countries were not admitted to Canada.

Mr. La Salle: A supplementary question, Mr. Speaker.

In view of the statement by the Prime Minister to the effect that some unemployed people would refuse to perform such work, would the Prime Minister consider compelling Canadians to work if they receive any social benefits?

Would the government favour legislation requiring any government pension recipient to work?

Mr. Trudeau: No, Mr. Speaker, the government will not commandeer the work force. The whole political philosophy of the government is based on freedom of choice for citizens to work where they want.

[*English*]

USE OF UNEMPLOYED AND STUDENTS INSTEAD OF WEST INDIANS TO PICK FRUIT

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question, Mr. Speaker. Since the Prime Minister has agreed that he would prefer to see young Canadians working in the fruit picking industry rather than wasting money on travel, would he consider subsidizing the wages of fruit pickers beyond the level the fruit industry is prepared to pay?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not think that this is a very constructive solution. It is a type of work with which students and some unemployed persons do not want to occupy themselves.

Mr. MacInnis: A supplementary question.

Mr. Speaker: Order, please. The hon. member has a supplementary and I will recognize him, also the hon. member for Broadview; if he will kindly resume his seat I will recognize him. I bring to the attention of hon. members that we are not moving very quickly. We have spent quite a bit of time on two questions and I would urge hon. members to allow the Chair to pass on to the next question. For the moment the Chair recognizes the hon. member for Cape Breton-East Richmond.

Mr. MacInnis: A further supplementary question for the Prime Minister, Mr. Speaker. Since the Prime Minister has agreed with the idea of young Canadians working in this industry but says it is not too attractive, does he not think that the money to be spent on travel should be used to subsidize the wages paid in order to make the work attractive enough for all young Canadians?

Mr. Speaker: The hon. member's supplementary is submitted in the form of an argument in support of his point of view. The hon. member for Broadview.

LABOUR CONDITIONS

UNEMPLOYMENT—REPLY TO TORONTO PROPOSALS TO ALLEVIATE PROBLEM

Mr. John Gilbert (Broadview): Has the Prime Minister given a formal reply to the mayor of the city of Toronto and Metro officials in regard to their reasonable plans for coping with unemployment, namely, by direct or shared-cost grants and also by extending the date for the expiry of seasonal unemployment insurance benefits?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have sent no letter to the mayor of Toronto since my meeting with him some days ago, but I cannot say whether other ministers have corresponded with him.

Mr. Gilbert: Is it the intention of the Prime Minister to give a formal reply to the mayor of the city of Toronto and Metro officials concerning their request?

Mr. Trudeau: Yes, Mr. Speaker, unless that formal reply has already been given by some other minister, which I do not know.

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THE CANADIAN ECONOMY

HOME OIL COMPANY—POSITION OF MR. BROWN ON GOVERNMENT OFFER TO PURCHASE CONTROL

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. In the statement that he read today concerning Home Oil, did the minister intend to advise the House in the labyrinth of words in which it was embalmed, that Mr. Brown was not going ahead with any transaction and had refused to accept the offers, or suggestions of offers and negotiations, made by the government of Canada respecting the sale of the shares in question?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I stated in one paragraph, and advisedly so, that I did not think it would be either in the public interest or in fairness to Mr. Brown, who is negotiating with Canadian companies, to disclose the tenor of any negotiations between the government and himself, and I do not propose to do so at the present time. I can only reiterate the statement that it is the purpose and desire of the government that this company remain, both in majority ownership and control, a Canadian company.

Mr. Diefenbaker: Mr. Speaker, the minister will make no revelation in regard to the negotiations by answering the simple question: Has Brown told the Canadian government to take a jump in the lake in so far as its offers are concerned? Is Mr. Brown now enabled, if he so chooses, to sell and dispose of the shares as he deems fit to American interests, and what control has the government of Canada over any prospective sale that he may determine?

Mr. Greene: Mr. Speaker, in so far as jumping in the lake is concerned, I can assure the right hon. gentleman that if the government were to jump in the lake it would certainly jump into Diefenbaker Lake.

Mr. Horner: Then that would pollute it.

Mr. Greene: As I have indicated, Mr. Brown has clearly understood the government's desire, and he has conveyed to us the information that he is accordingly negotiating with Canadian companies.

Mr. Diefenbaker: Mr. Speaker, since the minister has referred to Diefenbaker Lake I would point out that it is up to the Gardiner Dam and is unpolluted. May I ask the minister this simple question: Has Mr. Brown refused the offers of the Canadian government? Surely there is no difficulty about answering that. Second, may he now, if he so wishes, sell his interests to Americans?

Mr. Greene: Mr. Speaker, that is a hypothetical question and asks for a conclusion of law which my right hon. friend, as a learned parliamentarian and lawyer, I know would not wish me to state here. I did say, however, that Mr. Brown clearly understands the desires of the government and has conveyed to the government his intention to negotiate with Canadian companies, which I think would certainly be in keeping with the intent of the government and I think the intent of the House as displayed in the debate on this subject.

HOME OIL COMPANY—POSITION OF ASHLAND OIL COMPANY RESPECTING ACQUISITION

Mr. Max Saltsman (Waterloo): I have a supplementary question, Mr. Speaker, which I should like to direct to the Minister of Energy, Mines and Resources. Since the minister will not discuss the negotiations with Mr. Brown, can he say whether he has received any communication or has any understanding that the Ashland Oil Company has indicated to the government that it would no longer be interested in a deal in face of government opposition, and therefore Mr. Brown does not have any choice but to sell either to a private Canadian company or to the Canadian government?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, as far as the communications between the Ashland company and myself are concerned, I should like to treat them as confidential for the time being at least. If the intervention of the government, with its financial resources, in this matter as a negotiating party has resulted either in American companies realizing the intention of the government to maintain this company as a Canadian company or has brought forth other Canadian companies that are interested, then I think the government has very properly used its responsibility and its powers in this regard.

Inquiries of the Ministry

TRANSPORT

BORDEN-CAPE TORMENTINE—RETENTION OF "JOHN HAMILTON GRAY" IN FERRY SERVICE BETWEEN OCTOBER AND MAY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the honourable and learned Minister of Transport on a matter causing great disquiet at this time to the people of New Brunswick and Prince Edward Island, namely, the proposed transfer of the *John Hamilton Gray* to parts beyond P.E.I. and New Brunswick. Is the minister now in a position to assure the House and the government of Prince Edward Island that the *John Hamilton Gray* will be on the Cape Tormentine-Borden run between October and May annually?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I am not altogether certain of the dates but I would like to make this suggestion. I had a very lengthy conversation with the premier of Prince Edward Island yesterday and I have undertaken to and have prepared a complete time schedule, in a sense, in regard to the utilization of the vessels. I have also indicated my answers to various questions that have been raised by my hon. friend and others. This information will be sent to the premier tomorrow morning, I believe, and I am sure he will have no objection to my making it available to all interested members. I think it covers all of the questions asked.

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AIR TRANSPORT

USE OF AIR SPACE AND AIRPORTS BY SUPERSONIC PLANES—AWARENESS OF OTHER COUNTRIES OF CANADIAN POSITION

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I have a question for the Minister of Transport. In view of concern being expressed throughout the world about the results caused by supersonic planes flying over and landing in countries, will the minister say whether Canada has made clear to all other countries its position on the use of our air space and landing at Canadian airports?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think it is generally known—certainly I have repeated it often enough—that at the moment there is a prohibition against the flight of any aircraft at supersonic speed over Canadian territory. I have certainly made that known, for example, to the United States. As to whether this information has been formally conveyed to other countries I am not sure; I have not done so personally.

Mr. Skoberg: Would the minister say whether he would formally convey that expression of opinion, which I heartily support, to the other countries of the world now engaged in supersonic aircraft programs?

Mr. Speaker: Order, please. The hon. member's supplementary is in the form of a suggestion or representation.

[Mr. Greene.]

BANKRUPTCY

INQUIRY AS TO INTRODUCTION OF AMENDMENTS TO ACT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. On December 18 the minister tabled the report of the committee on bankruptcy. On January 19 he told me that he hoped to introduce legislation after hearing representations from the public soon after the end of January. Can he now tell us when he proposes to introduce the legislation to amend the Bankruptcy Act?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, we are working on the report I tabled in December. I am still receiving representations from people who wish to comment on the report, so it is a little difficult for me to say, but I am hopeful of introducing a bill some time during the course of this session. That, however, depends on the nature of the representations made and their extent.

Mr. Lambert (Edmonton West): Mr. Speaker, I suggest that if the minister would read his answer of January 19 he would see it was a little different. However, in anticipation of the legislation and in an effort to have widespread publicity and examination, since the minister would not send the report to the appropriate house committee, could he hurry up the legislation so that we might have a good long look at it before we have to deal with it?

Mr. Speaker: Again the hon. member has a supplementary in the form of a submission. He will have to assume it will be taken into account.

* * *

ADMINISTRATION OF JUSTICE

CENSORSHIP EXERCISED BY COLES BOOK STORES IN REMOVING BOOK, "THE UNHOLY LAND", FROM SHELVES

Mr. Kenneth Robinson (Lakeshore): Mr. Speaker, I have a question for the Minister of Justice but as he is not here I shall direct it to the Solicitor General. Did the minister approve of the censorship exercised by the 30 Coles book stores in Canada in removing the publication, "The Unholy Land", written by Reverend A. C. Forrest, editor of the United Church *Observer*, from their book shelves, and has the minister in any way restricted this publication being published by McClelland and Stewart Limited?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I believe that comments on the matter are up to the Attorney General of the province involved.

[*English*]

POLLUTION

PRINCE EDWARD ISLAND—CONTAMINATION OF BEACHES BY OIL FROM SUNKEN "IRVING WHALE"

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Transport. Perhaps the Minister of Fisheries and Forestry might like to take note of it or even participate in the answer. It relates to a question asked a week ago by my colleague the minister—

Some hon. Members: Oh, oh!

Mr. MacDonald (Egmont): —the member for Hillsborough. Just a future slip, Mr. Speaker. It concerns the sudden appearance along the northern shore of Prince Edward Island of oil globules that it is feared may be from the *Irving Whale* which sunk off the coast of Prince Edward Island last September. In view of the continuing concern and fear of possible pollution by the *Irving Whale* of Prince Edward Island beaches, can the minister advise whether his department has looked into this immediate problem and can he indicate what steps will be taken to remove the essential danger of the *Irving Whale*?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, we have conducted investigations to the extent it is possible while ice and snow remain on the beaches. In the first instance I think I can say without any qualification that the quantities involved in terms of what has come ashore are relatively small. A contingency plan is in hand to clean up any that may be present after the ice and snow leave the beaches.

On the matter of the ultimate disposition of the *Irving Whale,* this becomes a question of what is the most appropriate time to do it. We will certainly not do it unless there is complete agreement with the ideas of the government and the people of Prince Edward Island. I can also say in reassurance that investigations conducted recently indicate there is no oil at this time coming out of the hulk and that what has come ashore apparently has been the residue of what was actually spilled last autumn.

* * *

[*Translation*]

FINANCE

ABOLITION OF SALES TAX ON BUILDING MATERIALS

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Prime Minister.

Is the government considering rescinding the federal tax of 11 per cent on building materials, as requested by the Canadian Builders Association?

Mr. Speaker: I believe that this question was asked a few days ago. If the Prime Minister wants to answer it, I have no objection, but I suggest to the hon. member that this question, having been put several times in the last few days, should not be asked again today.

[*English*]

GOVERNMENT ADMINISTRATION

PROGRAM FOR HIRING FRANCOPHONE UNIVERSITY GRADUATES—DISCUSSIONS WITH SCIENCE COUNCIL OF PROPOSED URANIUM ENRICHMENT PLANT

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question I should like to ask the President of the Treasury Board. It is in two parts and concerns statements on motion, one he made yesterday and one I hope he will make. So far as the one made yesterday is concerned, will he assure the House that, notwithstanding the use of funds from the contingency vote, the provisions of the Public Service Employment Act will apply and, specifically, that the merit system will apply in respect of both employment and promotion? So far as the statement I hope he will make is concerned, can he say, as the minister responsible for the Science Council, whether there has been any discussion with the Science Council in respect of reporting to the House on the implications and ramifications of the Brinco announcement related to an enriched uranium process and how this might affect the federal governments' commitment in respect of the heavy water process?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, in reference to the first question I can reassure the hon. gentleman that the merit principle will apply in its totality in relation to the announcement I made yesterday concerning the hiring of some 276 Francophones.

In respect of the second question I do not know that the Science Council is going to undertake the kind of rather extensive study suggested by the hon. member, but I shall make inquiries.

Mr. Nowlan: A supplementary question—

Mr. Speaker: Order, please. The hon. member will appreciate that his question was asked in a rather unusual way. If hon. members are allowed to ask two questions at the same time dealing with entirely different matters, this may expand quickly to three or four questions asked by an hon. member on three or four different subjects. We are in a position now where the hon. member's supplementary may refer to either the first question or the second question raised by the hon. member. This is highly irregular. I do not think such a practice should be allowed. The hon. member, however, could ask one supplementary about one of the two questions he has asked.

Mr. Nowlan: Thank you, Mr. Speaker, for your indulgence. I was just trying to expand the subject matter of questions. This question is to the Prime Minister. As a matter of government policy, is there or will there be a review, in conjunction with the Minister of Energy, Mines and Resources, of the implications or ramifications of the Brinco announcement in respect of an enriched uranium process and how this may affect the federal commitment to the heavy water process?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know if it is proper to call it a review

but there has been some correspondence with me on this subject and I have referred the matter to the appropriate minister. Of course he is studying the implications of the proposed project in respect of other governmental programs.

* * *

HOUSE OF COMMONS

CONTINUATION OF SPEAKER IN POSITION FOLLOWING NEXT ELECTION—SUGGESTED DISCUSSION BY PARTY OR HOUSE LEADERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Prime Minister. Will the right hon. gentleman consider holding discussions with the leaders of the other parties in the House, or ask the House Leaders to hold such discussions, concerning the possibility of our taking appropriate steps so that after the next election we will still have as Speaker of this House, on a continuing basis, the distinguished gentleman who now occupies the Chair?

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member for Dartmouth-Halifax East.

Mr. Knowles (Winnipeg North Centre): Ten o'clock.

* * *

INDUSTRY

CATALINA EXPLORATION COMPANY—ASSISTANCE TO AVOID TAKEOVER BY UNITED STATES INTERESTS AND LOSS OF JOBS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, so that the Minister of Industry, Trade and Commerce will not feel neglected today, may I ask him if he is in a position to say what assistance the government intends to offer Catalina Explorations of Calgary and Halifax to avoid a likely takeover by American interests and the loss of some 300 jobs a little later this week?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, my department has no program that could be used in this instance. A number of ministers have consulted on this question quite extensively in recent days. I am sorry to say there appears to be nothing in our program at the moment which would provide the rather large sum of money this company would need at this time to remain operative.

Mr. Forrestall: Mr. Speaker, I wonder whether the minister or some other member of the government could indicate whether or not they are aware of the representations which were made over the weekend? Are any steps being taken to correct the situation that has led to the difficulties in which the company finds itself, particularly the specific difficulty caused by United States vessels coming within our three-mile limit to do seismic work when there are Canadian companies with ships adequate for this task? If they are aware of these reports, have investigations been initiated?

[Mr. Trudeau.]

Hon. Donald C. Jamieson (Minister of Transport): Perhaps I might attempt to answer the question. The issue of whether or not foreign-owned vessels may participate in this kind of activity was one of the subjects considered by the special commission on coastal shipping. Within recent days I have had that report examined and have extrapolated from it the references to the whole issue that we are now discussing. I am examining these to see if they would be of any benefit in these circumstances.

Mr. Forrestall: Mr. Speaker—

Mr. Speaker: Order, please. I bring to the attention of the hon. member that there are only six minutes left before the end of the question period. I ask for the co-operation of hon. members in asking short questions and of ministers in giving brief answers. I also ask that as few supplementary questions as possible be put.

Mr. Forrestall: Could the minister indicate whether or not Canadian companies involved in seismic operations off our coast will continue to have the protection that now exists in the statute of being assured that work as opposed to it being given to United States ships or ships of other countries or of other registry?

Mr. Jamieson: In view of your admonition, Mr. Speaker, I can simply say that certainly protection will not be any less. What we are seeking to do is to see whether we can expand the level of protection.

Mr. McCleave: Mr. Speaker, I have a supplementary question—

Mr. Speaker: Order, please. I will recognize the hon. member for Halifax-East Hants in a moment but first I will recognize the hon. member for Saskatoon-Biggar.

* * *

AGRICULTURE

ONTARIO HOG MARKETING BOARD RESOLUTIONS RESPECTING DEFICIENCY PAYMENTS AND AVERAGE WEIGHTED PRICE

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I would like to ask the Minister of Agriculture whether, in view of the resolutions passed at the Ontario Hog Marketing Board meeting on March 17 and 18, the minister is giving consideration to their suggestion that the deficiency payment program under the Agricultural Stabilization Act be amended to determine deficiency payments on a quarterly basis, and that the terminal market average weighted price be 100 per cent of the previous five-year average instead of 80 per cent as at present?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we always take very seriously the resolutions that are passed at meetings such as this one, but I do not believe that we are at present taking action to revise the Agricultural Stabilization Act in the very near future.

Mr. Speaker: The hon. member for Halifax-East Hants.

Mr. McCleave: Mr. Speaker, on reflection I think the hon. member for Dartmouth-Halifax East covered the subject I was interested in.

Mr. Gleave: Mr. Speaker, I have a supplementary question. Further to what the Minister of Agriculture said, in view of the fact that the agricultural price support program is giving no support or no relief to hog producers under the present very serious circumstances, is the minister prepared to consider some course of action which would make the support price relevant to the present circumstances?

Mr. Olson: Of course we are considering that and we are very keenly aware of the seriousness of the situation. But the reason that the Agricultural Stabilization Act has not been invoked in this situation is that for a time up to less than a year ago when the hog producers were enjoying the highest prices—

Mr. Speaker: Order, please.

* * *

INQUIRY OF THE MINISTRY

Mr. P. V. Noble (Grey-Simcoe): I should like to direct a question to the Prime Minister. Did the Prime Minister receive a telegram from the MLA for Grey-Bruce informing him that he had a sure-fire plan by way of a crash program to solve unemployment?

Mr. Speaker: Order, please. The hon. member knows that this kind of question is hardly in order.

* * *

CAPITAL PUNISHMENT

REQUEST THAT CABINET NOT EXERCISE CLEMENCY IN CASES OF MURDER OF POLICEMEN

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): My question is directed to the right hon. Prime Minister in the absence of the Minister of Justice. In view of the recently expressed frustration of our police forces because of the cabinet's lack of compliance in support of the law courts in implementing the death penalty for apprehended capital murderers and in view of the rise in the incidence of capital crime.

Mr. Speaker: Order, please. The hon. member cannot ask a direction in those terms. I suggest that he ask the question directly.

Mr. Alkenbrack: Will the minister henceforth admonish the cabinet, when considering their prerogatives, to support the full penalty of the law for first degree capital murder when dealing with the all too frequent instances of this kind?

Inquiries of the Ministry

CANADIAN BROADCASTING CORPORATION

MID-CANADA PROGRAM ON "WEEKEND"—ACTION TO RECTIFY ALLEGED DISHONEST PRESENTATION

Mr. Jean-R. Roy (Timmins): My question is for the Secretary of State or, in his absence, the minister responsible. Following the absurdly distorted and derogatory mid-Canada program on CBC Weekend of March 14 and the subsequent numerous bitter representations to the CBC and CRTC, would the minister or his parliamentary secretary make inquiries and report as to what action both bodies intend to take in order to rectify this completely dishonest representation?

Right Hon. P. E. Trudeau (Prime Minister): I will take notice of the question on behalf of the minister who unfortunately is away.

* * *

TRANSPORT

VANCOUVER TRAINMEN'S WORK SLOWDOWN—ACTION TO ASSURE MAXIMUM MOVEMENT OF GRAIN

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for my friend, the Minister of Transport. In light of reports over the weekend from the port of Vancouver that because of the trainmen's work slowdown grain elevators are only working at greatly reduced capacity and when ships arrive the grain they are to load is not available, will the minister, in co-operation with his colleagues, the Minister of Labour and the minister responsible for the Wheat Board, move to rectify this problem with a view to increasing our grain movements to full volume?

Hon. Donald C. Jamieson (Minister of Transport): Yes, not only in co-operation with the parties concerned but also in co-operation with the leadership of the unions who, I understand, is very much opposed to the actions which have been taken by some of the workers in this case.

* * *

[*Translation*]

ST. LAWRENCE SEAWAY

INTEREST ON DEBT

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct a question to the Minister of Transport.

Since the St. Lawrence Seaway Authority paid only $12 million in interest on the $18 million due in 1970, can the minister indicate whether he intends to recommend to the Canadian government to do what the American government has done and stop collecting interest on the debt of the St. Lawrence Seaway Authority?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): I can only answer that in the manner that I have on previous occasions. The report of Carr and Associates with regard to the future of the seaway has been published with a view to getting the widest possible cross-section of representations. When these have been received I will consider them and at that time decide what kind of recommendations to make.

Inquiries of the Ministry

[*Translation*]

ROYAL CANADIAN MOUNTED POLICE

HAY RIVER—HOLDING OF COMPANY OF YOUNG CANADIANS VEHICLE—INVESTIGATION OF BOMBING OF BUILDING

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I wish to answer the question which the hon. member for Athabasca asked me last week.

Following an investigation conducted by the members of the Hay River detachment of the R.C.M.P. after a bomb had exploded in the U.S. Traffic Co-ordinating Office building on February 13, 1971, a vehicle and all its contents belonging to the Yellowknife branch of the Company of Young Canadians were seized by the R.C.M.P. in Yellowknife on February 17, 1971, under a search warrant.

The vehicle and contents are being held following an order to hold seized objects issued at Yellowknife on February 18, 1971, pursuant to section 432 of the Criminal Code. The matter is being investigated.

* * *

[*English*]

AIRPORTS

TORONTO—REPORT ON MEETING WITH ONTARIO PREMIER CONCERNING SITE FOR NEW FACILITY

Mr. A. D. Hales (Wellington): I should like to direct my question to the Minister of Transport. Is the proposed meeting between he and the premier of Ontario scheduled for Thursday concerning the proposed new site for the airport outside of Toronto, and if this meeting is held Thursday will he report to the House on the following day, Friday?

Hon. Donald C. Jamieson (Minister of Transport): Without being in the least facetious may I say that the meeting was held last Thursday. The outcome of the meeting was that I delivered to Prime Minister Davis a set of proposals, some ideas I had as to how we might proceed and move ahead with this project. The Prime Minister asked for a period of two to three weeks during which he and his new cabinet colleagues, or his colleagues in their new positions, could have a chance to examine them. I indicated that I would be available as soon as they contacted me for a supplementary meeting.

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

Mr. Speaker: Order, please. Perhaps the Parliamentary Secretary to the Prime Minister could ask his supplementary question tomorrow, although with the consent of the House the parliamentary secretary might be allowed to ask his question now provided we also agree that the hon. member for Churchill, whom I was going to recognize, be allowed to ask his question. The Parliamentary Secretary to the right hon. Prime Minister.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, perhaps I should be rising on a point of order, but I do want to ask the Minister of Transport if he was referring to the Prime Minister or the Premier of Ontario?

Some hon. Members: Oh, oh!

* * *

THE CANADIAN ECONOMY

HOME OIL COMPANY—REASON FOR REFUSAL OF GOVERNMENT OFFER TO BUY CONTROLLING INTEREST

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources. With reference to the government's negotiations to purchase Home Oil shares, is the minister in a position to say whether one of the reasons Mr. Brown turned down the government's offer was the minister's insistence on naming a specific person to the board of directors, as reported on television news this morning?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I really cannot be responsible for what goes on on television in this country, and I think if I disclosed any portion of the negotiations my contention that they should be confidential would hardly remain valid.

Mr. Simpson: A supplementary—

Mr. Speaker: Order. Perhaps the hon. member might ask his supplementary tomorrow. I tender apologies to the hon. member for Joliette, the hon. member for Battleford-Kindersley and the hon. member for Charlevoix, who have been rising with diligence throughout the question period. When reading *Hansard* I shall try to remember that they should be given some precedence tomorrow.

* * *

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, I rise on a point of order to suggest to the President of the Privy Council that if he were prepared to call second reading of three veterans bills which were introduced yesterday, we in the Official Opposition would be prepared to give them second reading without debate. The government might see fit to call them after the votes which are scheduled to take place have been concluded.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, this is our view as well. These bills having been placed before us in the proper way, we are prepared to give them second reading without debate so that they can be referred to the Standing Committee on Veterans Affairs, and if that is the general view of the House why not do it now?

Mr. MacEachen: Let us do it now, Mr. Speaker.

GOVERNMENT ORDERS

CIVILIAN WAR PENSIONS AND ALLOWANCES ACT

AMENDMENT TO INCREASE PAYMENTS

Hon. Allan J. MacEachen (for the Minister of Veterans Affairs) moved that Bill C-232, to amend the Civilian War Pensions and Allowances Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

Motion agreed to, bill read the second time and referred to the Standing Committee on Veterans Affairs.

* * *

WAR VETERANS ALLOWANCE ACT, 1952

AMENDMENT TO INCREASE TABLE AND CEILING OF ALLOWANCES

Hon. Allan J. MacEachen (for the Minister of Veterans Affairs) moved that Bill C-233, to amend the War Veterans Allowance Act, 1952, be read the second time and referred to the Standing Committee on Veterans Affairs.

Motion agreed to, bill read the second time and referred to the Standing Committee on Veterans Affairs.

* * *

PENSION ACT

AMENDMENT TO INCREASE PAYMENTS

Hon. Allan J. MacEachen (for the Minister of Veterans Affairs) moved that Bill C-234, to amend the Pension Act, be read the second time and referred to the Standing Committee on Veterans Affairs.

Motion agreed to, bill read the second time and referred to the Standing Committee on Veterans Affairs.

* * *

TEXTILE AND CLOTHING BOARD ACT

PROVISION FOR ESTABLISHMENT, INQUIRIES, REPORTS, ADJUSTMENT ASSISTANCE FOR WORKERS

The House resumed, from Monday, March 22, consideration of Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Speaker: Pursuant to special order made on Monday, March 22, the House will now revert to the deferred divisions in relation to the proposed amendments to Bill C-215. The motions will be called in the order in which they were considered by the House.

Division

The text of motions Nos. 1, 6, 7, 2, 4 and 5 appear at page iii appended to today's Order Paper. Call in the members.

The House will now proceed to the deferred division on motion No. 1, in the name of the hon. member for Dauphin (Mr. Ritchie).

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

YEAS

Messrs:

Alkenbrack
Asselin
Bell
Bigg
Code
Danforth
Diefenbaker
Dinsdale
Downey
Fairweather
Flemming
Forrestall
Grills
Hales
Hees
Horner
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
La Salle
Lundrigan
MacDonald (Egmont)
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nowlan
Paproski
Peddle
Ricard
Ritchie
Rynard
Schumacher
Scott
Simpson
Southam
Stewart (Marquette)
Thomas (Moncton)
Valade
Yewchuk—50.

NAYS

Messrs:

Allmand
Badanai
Barnett
Basford
Beaudoin
Béchard
Beer
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Broadbent
Brown
Buchanan
Burton
Caccia
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
De Bané
Dionne
Douglas (Assiniboia)
Drury
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Fortin
Francis
Gauthier
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Godin
Goode
Goyer
Gray
Greene
Groos
Guay (Lévis)
Guilbault

Division

Messrs:

Haidasz
Harding
Hogarth
Hopkins
Howard
(Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg
North Centre)
Lachance
Laflamme
Laing
(Vancouver South)
Lang (Saskatoon-
Humboldt)
Langlois
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
McIlraith
McNulty
Mahoney
Marceau
Marchand
(Langelier)
Marchand
(Kamloops-Cariboo)
Mather
Matte
Morison
Munro
Murphy
Noël
Nystrom
O'Connell
Olson
Orange
Orlikow
Penner
Pepin
Peters
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Rodrigue
Rondeau
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Serré
Sharp
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart
(Okanagan-Kootenay)
St. Pierre
Sullivan
Thomas
(Maisonneuve-
Rosemont)
Thomson
(Battleford-Kindersley)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Yanakis—147.

Mr. Speaker: I declare the motion lost.

• (3:30 p.m.)

The House will now proceed to the deferred division on Motion No. 6, the hon. member for Peace River (Mr. Baldwin).

The House divided on Motion No. 6 (Mr. Baldwin) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Asselin
Bell
Bigg
Code
Comeau
Danforth
Diefenbaker
Dinsdale
Downey
Fairweather
Flemming
Forrestall
Grills
Hales
Hees
Horner
Knowles (Norfolk-
Haldimand)
Korchinski
Lambert
(Edmonton West)
La Salle
Lundrigan
MacDonald (Egmont)
MacInnis (Cape
Breton-East Richmond)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nowlan
Paproski
Peddle
Ricard
Ritchie
Rynard
Schumacher
Scott
Simpson
Southam
Stewart (Marquette)
St. Pierre
Thomas (Moncton)
Valade
Yewchuk—52.

NAYS

Messrs:

Allmand
Badanai
Barnett
Basford
Beaudoin
Béchard
Beer
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Broadbent
Brown
Buchanan
Burton
Caccia
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
De Bané
Dionne
Douglas
Drury
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Fortin
Francis
Gauthier
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Godin
Goode
Goyer
Gray
Greene
Groos
Guay (Lévis)
Guilbault
Haidasz
Harding
Hogarth
Hopkins
Howard
(Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg
North Centre)
Lachance
Laflamme
Laing
(Vancouver South)
Lang (Saskatoon-
Humboldt)
Langlois
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand
(Langelier)
Marchand
(Kamloops-Cariboo)
Mather
Matte
Morison
Munro
Murphy
Noël

Messrs:

Nystrom
O'Connell
Olson
Orange
Orlikow
Penner
Pepin
Peters
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Rodrigue
Rondeau
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Serré
Sharp
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Okanagan-Kootenay)
Sullivan
Thomas (Maisonneuve-Rosemont)
Thomson (Battleford-Kindersley)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Yanakis—147.

Mr. Speaker: I declare the motion lost.

The House will now proceed to the deferred division on Motion No. 7, the hon. member for Peace River (Mr. Baldwin).

Mr. MacLean: I rise on a point of order. Since the previous motion was defeated, I suggest that we consider this motion defeated on division.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There does not appear to be unanimity with regard to the suggestion made by the hon. member. In consequence thereof, we will have to proceed with calling the division.

The House divided on Motion No. 7 (Mr. Baldwin) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Asselin
Bell
Bigg
Coates
Code
Comeau
Danforth
Diefenbaker
Dinsdale
Downey
Fairweather
Flemming
Forrestall
Grills
Hales
Hees
Horner
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
La Salle
Lundrigan
MacDonald (Egmont)
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nowlan
Paproski
Peddle
Ricard
Ritchie
Rynard
Schumacher
Scott
Simpson
Southam
Stewart (Marquette)
Thomas (Moncton)
Valade
Yewchuk—52.

Division

NAYS

Messrs:

Allmand
Badanai
Barnett
Basford
Beaudoin
Béchard
Beer
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Broadbent
Brown
Buchanan
Burton
Caccia
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
De Bané
Dionne
Douglas
Drury
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Fortin
Francis
Gauthier
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Godin
Goode
Goyer
Gray
Greene
Groos
Guay (Lévis)
Guilbault
Haidasz
Harding
Hogarth
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Lachance
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Mather
Matte
Morison
Munro
Murphy
Noël
Nystrom
O'Connell
Olson
Orange
Orlikow
Penner
Pepin
Peters
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Rodrigue
Rondeau
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Serré
Sharp

Division

Messrs:

Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart
(Okanagan-Kootenay)
St. Pierre
Sullivan
Thomas
(Maisonneuve-
Rosemont)
Thomson
(Battleford-Kindersley)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Yanakis—148.

• (3:40 p.m.)

Mr. Speaker: I declare the motion lost.

The House will now proceed to deferred motion No. 2 in the name of the hon. member for Crowfoot (Mr. Horner).

The House divided on motion No. 2 (Mr. Horner) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Asselin
Bell
Bigg
Coates
Code
Comeau
Danforth
Diefenbaker
Dinsdale
Downey
Fairweather
Flemming
Forrestall
Grills
Hales
Harkness
Hees
Horner
Knowles (Norfolk-
Haldimand)
Korchinski
Lambert
(Edmonton West)
La Salle
Lundrigan
MacDonald (Egmont)
MacInnis (Cape
Breton-East Richmond)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nowlan
Paproski
Peddle
Ricard
Ritchie
Rynard
Schumacher
Scott
Simpson
Southam
Stewart (Marquette)
Thomas (Moncton)
Valade
Yewchuk—53.

NAYS

Messrs:

Allmand
Badanai
Barnett
Basford
Beaudoin
Béchard
Beer
Benjamin
Benson
Blair
Blouin
Boulanger
Breau
Broadbent
Brown
Buchanan
Burton
Caccia
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson

[Mr. Speaker.]

Messrs:

Davis
De Bané
Dionne
Douglas
Drury
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Fortin
Francis
Gauthier
Gendron
Gervais
Gibson
Gilbert
Gillespie
Givens
Gleave
Godin
Goode
Goyer
Gray
Greene
Groos
Guay (Lévis)
Guilbault
Haidasz
Harding
Hogarth
Hopkins
Howard
(Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg
North Centre)
Lachance
Laflamme
Laing
(Vancouver South)
Lang (Saskatoon-
Humboldt)
Langlois
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand
(Langelier)
Marchand
(Kamloops-Cariboo)
Mather
Matte
Morison
Munro
Murphy
Noël
Nystrom
O'Connell
Olson
Orange
Orlikow
Penner
Pepin
Peters
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Rodrigue
Rondeau
Rowland
Roy (Timmins)
Roy (Laval)
Saltsman
Serré
Sharp
Skoberg
Smith (Saint-Jean)
Stafford
Stanbury
Stewart
(Okanagan-Kootenay)
St. Pierre
Sullivan
Thomas
(Maisonneuve-
Rosemont)
Thomson
(Battleford-Kindersley)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Yanakis—148.

Mr. Speaker: I declare the motion lost. The House will now proceed to the deferred division on Motion No. 4 in the name of the hon. member for Crowfoot (Mr. Horner).

Is it the wish of the House that this be called on division?

Some hon. Members: No.

The House divided on the motion (Mr. Horner) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Barnett
Bell
Benjamin
Bigg
Broadbent
Burton
Coates
Code
Comeau
Danforth
Diefenbaker
Dinsdale
Douglas
Downey
Fairweather
Flemming
Forrestall
Gilbert
Gleave
Grills
Hales
Harding
Harkness
Hees
Horner
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
La Salle
Lundrigan
MacDonald (Egmont)
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Mather
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nowlan
Nystrom
Orlikow
Paproski
Peddle
Peters
Ricard
Ritchie
Rowland
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Southam
Stewart (Marquette)
Thomas (Moncton)
Thomson (Battleford-Kindersley)
Valade
Yewchuk—70.

NAYS

Messrs:

Allmand
Badanai
Basford
Beaudoin
Béchard
Beer
Benson
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
De Bané
Dionne
Drury
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Fortin
Francis
Gauthier
Gendron
Gervais
Gibson
Gillespie
Givens
Godin
Goode
Goyer
Gray
Greene
Groos
Guay (Lévis)
Guilbault
Haidasz
Hogarth
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Lachance
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Laprise
Latulippe
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand (Langelier)
Matte
Morison
Munro
Noël
O'Connell
Olson
Orange
Penner
Pepin
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Rodrigue
Rondeau
Roy (Timmins)
Roy (Laval)
Serré
Sharp
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Okanagan-Kootenay)
St. Pierre
Sullivan
Thomas (Maisonneuve-Rosemont)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Yanakis—128.

Division

• (3:50 p.m.)

Mr. Speaker: I declare the motion lost.

The House will now proceed to the deferred division on motion No. 5.

The House divided on motion No. 5 (Mr. St. Pierre) which was negatived on the following division:

YEAS

Messrs:

Alkenbrack
Asselin
Barnett
Beaudoin
Bell
Benjamin
Bigg
Broadbent
Burton
Coates
Code
Comeau
Danforth
Diefenbaker
Dinsdale
Dionne
Douglas
Downey
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Goode
Grills
Hales
Harding
Harkness
Hees
Hogarth
Horner
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Edmonton West)
Laprise
La Salle
Latulippe

Division

Messrs:

Lundrigan
MacDonald (Egmont)
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Mather
Matte
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nowlan
Nystrom
Orange
Orlikow
Paproski
Peddle
Peters
Reid
Ricard
Ritchie
Rodrigue
Rondeau
Rowland
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Southam
Stewart (Marquette)
St. Pierre
Thomas (Moncton)
Thomson (Battleford-Kindersley)
Valade
Yewchuk—86.

NAYS

Messrs:

Allmand
Badanai
Basford
Béchard
Beer
Benson
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cafik
Chrétien
Clermont
Cobbe
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
De Bané
Drury
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Francis
Gendron
Gervais
Gibson
Gillespie
Givens
Goyer
Gray
Greene
Groos
Guay (Lévis)
Guilbault
Haidasz
Hopkins
Howard (Okanagan Boundary)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Lachance
Laflamme
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Legault
Lessard (LaSalle)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand (Langelier)
Morison
Munro
Noël
O'Connell
Olson
Penner
Pepin
Portelance
Pringle
Prud'homme
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Serré
Sharp
Smith (Saint-Jean)
Stafford
Stanbury
Sullivan
Thomas (Maisonneuve-Rosemont)
Tolmie
Trudeau
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Whicher
Yanakis—111.

[Mr. Speaker.]

Mr. Speaker: I declare the motion lost.

• (4:00 p.m.)

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other Acts in consequence thereof, as reported (with amendments) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Speaker: When shall the said bill be read a third time?

Some hon. Members: Now.

An hon. Member: Never.

Mr. Speaker: Next sitting of the House.

* * *

YOUNG OFFENDERS ACT

PROVISIONS REGARDING CHILDREN AND YOUNG PERSONS

The House resumed, from Monday, March 22, consideration of the motion of Mr. Goyer that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs; and the amendment thereto of Mr. Woolliams (page 2381).

Mr. F. J. Bigg (Pembina): Mr. Speaker, last evening I was not able to conclude my speech because we reached the adjournment hour. I do not hesitate to continue today because this young offenders bill has been considered by many responsible groups across Canada and, although they welcome certain features in it, most groups believe it to be a hasty measure. It is believed that many, if not all, clauses should be redrafted by a committee before we consider putting the bill into statute form. Many groups have expressed a desire to appear to state their views. Since these groups represent experts in certain fields, I believe they certainly should be asked to appear before we amateurs give final approval to this legislation.

One group to which I refer is the Canadian Bar Association. The Canadian Bar Association has attacked the bill from a legal point of view, citing the difficulties experienced by members of the bench, members of the bar and jurists all across the country. This association has

presented a very short brief. On page two, the association asks to be allowed to appear in order to give us the benefit of the years of experience of its members both on the bench and at the bar. The Canadian Bar Association points out the difficulty under our constitution of bringing in an omnibus bill which would solve most of our problems. As I pointed out last evening, it would be very difficult to accomplish many of the things proposed in this bill unless we have the necessary plant. We need more proficient magistrates and policemen, and we need the physical plant. Anyone who has visited the jails, the penitentiaries, the industrial schools or the shelters which I believe they are called, for young females, knows these institutions leave much to be desired, not only in respect of the physical plant but also in respect of the personnel.

Members of this House would be shocked if they were aware of some of the corrective methods employed in these institutions. I wonder how many members know that in the industrial schools it is not uncommon for corporal punishment to be inflicted upon children ranging in age from eight years to 16 years. Mr. Speaker, it is difficult to imagine anything worse than a so-called official spanking being administered to a boy eight years of age who has no home, no friends and so far as he can see no future. It is bad enough for a boy to be locked up and deprived of his liberty, but it is even worse when someone who cares little for him, or if he does care does not understand him, inflicts corporal punishment upon him. Surely, it is not necessary for me to labour this point. When we add the suggestions contained in this bill in respect of indeterminate sentences and no final disposal of a case until the person reaches age 21 or perhaps age 18, as I hope will be the case, it is obvious that the accused person will suffer the worst kind of agony, mental agony.

Again I make the appeal that large sums be set aside for proper research in respect of all these matters. I know this bill is not yet law and, therefore, I appeal to the House and the minister to see that it is not rushed through. Although some of the provisions in this bill are needed very badly, the bill should be given full scrutiny. We should hear from such experts as there are in these fields. The John Howard Society, which has proven itself to be a friend of those on the wrong side of the law, with whom it comes in contact, wishes to appear. That society has many progressive ideas but it is pitifully short of funds to do the research work and provide the necessary personnel even for the jobs it is undertaking. At the present time, the John Howard Society is endeavouring to keep in contact not only with the young people but also the older citizens who are incarcerated in our institutions.

I do not think I am soft when I suggest that everyone connected with these unfortunate people should avoid using harsh treatment as much as possible. It is bad enough to be on the wrong track without also being called a criminal. I suggest that the preamble to the bill is very progressive, and I go along with it 100 per cent. I even go further. I say we must generate not only in our institutions but also in the minds of all Canadians the humanitarian approach, the progressive approach and the civilized approach. This will require a good deal of co-operation with our provincial authorities. Here, I might mention Alberta. An experiment is being carried on in Alberta at the present time. That province is experimenting with minimal security institutions. Rather than concentrating on any form of punishment for its own sake, or for the sake of revenge on the part of society, from the moment a young person or older person becomes involved with the law the accent is now placed on rehabilitation.

• (4:10 p.m.)

Under this Alberta program, as soon as possible the young person is put in healthy surroundings, working out in the fresh air with progressive minded people where the emphasis is on teaching him the joy of labour, which is surely an entirely new approach. Instead of sentencing a man to hard labour, he is given an opportunity to work, to learn something, to become progressive and to go out into the society of other young men. Instead of using work as a punishment, it is used as a road back.

I recommend to the committee that they invite some members of the corrective institutions in Alberta to come and tell us of the success they are having with these young people. The percentage of repeaters is dropping very remarkably and rapidly under this sort of treatment, which proves that the humane attitude is the only one which society can afford to take.

This is the only sensible approach, because anything short of this positive attitude is a waste of human beings. I agree with one of the previous speakers who said that he had never known anybody who came out of jail the better for having been in jail. In other words, the punishment of being locked up never did anybody any good at all. It may be that you have given the young offender time to think things over and hopefully steered him in the right direction, that you have put him into contact with people even in jail who really had his best interests at heart, which puts him on the right track. It is this contact with someone who cares that turns him back toward being a useful member of society. It is only the positive approach that does him any good. It is not the jail but it is the hand of friendship put out to him, perhaps by some member of the John Howard Society or by the magistrate who sentenced him to the loss of his freedom in the first place, that rehabilitates him. I am convinced, having had some experience in the enforcement of law, that in so far as the policeman who arrests him and the magistrate who sentences him are concerned, if they can convince him that they have faith in him he will start back on the road back to a normal life.

In many cases a person who has broken the law has not done anything worse than many of us who have never come to court. As soon as we can convince him that we are charitable and that we recognize he is not that much different from the rest of us, as soon as we show that we have faith in him and that people do change, that people can live down the mistakes of the past, he will start back on the road to a normal life almost before sentence is passed upon him.

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but his time has expired. The hon. member can continue with the unanimous consent of the House. Is there such consent?

Some hon. Members: Agreed.

Mr. Bigg: Thank you, Mr. Speaker. I shall be brief. I cannot hope to cover all the points which I know will be discussed in committee. Before I resume my seat, however, I should like to appeal to the House to send this bill to committee so that each and every organization in Canada which has particular knowledge of these matters, such as the psychologists, the medical doctors, the John Howard Society and the Elizabeth Fry Society, the attorney generals' departments of the provinces, can be asked to present briefs. A measure to deal with young offenders has to be a joint effort because it is something which is more important than the constitution itself. I think the provinces might well bend to federal plans for such legislation. We are trying to have uniformity and we are trying to teach our young people that we are treating them all alike. This means we are approaching the whole problem with justice tempered with mercy.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, I was extremely pleased when the Throne Speech indicated that the government intended to bring in legislation to replace the Juvenile Delinquents Act. This decision followed many years of fact finding, study and decision by a special committee. I think the conclusion was correct, namely, that changes were necessary.

Attitudes concerning young people who get into difficulty by breaking the laws of the land have run the whole gamut of reason and emotion. They have also run the full gamut regarding who is to blame when a child runs afoul of the law. For example, attitudes range between the fault being totally that of our society or totally that of the young person who breaks the law. Surely, somewhere between the two, and not necessarily right in the middle, and we must look for the answer.

At one end of the attitude spectrum is Dr. M. P. Marcilio who said:

> They are victims of situations, of psychiatric situations and emotional deprivation.

At the other end of the scale we hear people saying, as did Mary McMorrow of Scarborough, when writing in the *Globe and Mail:*

> Such an approach—

Referring to Dr. Marcilio.

> —has probably caused more problems than it has cured. Even when this paternalistic sympathy and excusing is justified, is it a good reason to suit the laws to the weakeet and least responible in our society.

She also wrote:

> We spend millions nurturing responsibility through education and probably more pandering to irresponsibility through our laws. Any new law which would change this ridiculous situation is well worth trying.

Of course, she refers to the Young Offenders Act.

Another approach was that adopted by Mr. George Hendry of Highland Creek who also wrote in the *Globe and Mail* on this subject:

> A respectable kind of legislation dealing with crimes by youths will be, among other things, a law in which being young will not be a crime—that is nothing will be a crime for a youth which is not a crime for an adult and one in which youths will be guaranteed neither more nor fewer rights than adults. By and large, punishment should be for doing, not being.

With respect to this young offenders bill, in response to criticism by the Canadian Mental Health Association I gave the bill a more careful reading. I must confess that, having studied it clause by clause, I had to give some clauses more than passing attention because of the gnawing feeling that changes were necessary. On the whole, however, it is a first rate piece of legislation. I now find that my opinion has the backing of the Canadian Bar Association. They support the principle of the bill and make recommendations for some changes that may very well be acceptable to the Solicitor General (Mr. Goyer).

I am not unfamiliar with the practice under the Juvenile Delinquents Act, having spent many years in Sarnia dealing with young people who ran afoul of the law, who were found guilty and thus, by definition, became juvenile delinquents. Some of their actions which resulted in these charges seemed to me to be absolutely stupid. I remember on more than one occasion asking these young clients "why did you do this thing?" I received more often than not their completely honest reply "I really do not know". Sometimes their course of action was dictated by revenge for some wrong, imagined or real. There were times when things were done on a dare, in order to be one of the boys. There were times when established authorities were not as reasonable as they might have been and when youths overreacted to a situation, as they might have been expected to do, but unhappily they ended up branded juvenile delinquents.

• (4:20 p.m.)

In addition to this practical experience, having read the bill and the criticisms of it by the Canadian Mental Health Association and others, and having read the ten page response written by the then solicitor general, the Hon. George McIlraith, as well as having made a point of being present for all of the debate—with the exception of two addresses which I subsequently read in *Hansard*—I am still satisfied that this is a good piece of legislation. With a few changes, it can be looked upon not as a criminal code for young people but as a bill of rights for young people.

When the Canadian Mental Health Association criticized this legislation, the role taken by some members of the opposition was predictable. They figured they had a good thing going and proceeded to the application of hyperbole in condemning the bill. Unfortunately for these few members of the opposition, the electorate are just a little too sophisticated to swallow the kind of criticism that they had for the bill. The Ottawa *Citizen* of Satur-

day, January 26, contained an editorial under the heading, "Critics Overdo It", which reads:

The scatter-gun attacks by the opposition against the Young Offenders Act are wide of the mark.

Improvements can be made. But to describe it as the "most punitive, enslaving, vicious and tyrannical piece of legislation that has ever come out of the legislative grist mill", as one member did, is melodramatic nonsense.

Another part of the editorial reads:

There are also references to the Criminal Code as applicable to the new act. Maybe they were made for the sake of brevity; after all, a driving offence by a 16-year old is similar to one by an adult. But if the Criminal Code references offend, the wording could be changed. And if some experts object to the law's name, it could be changed to the Misguided Youth Act. That should satisfy them.

I listened very carefully and read the speech of the hon. member for Broadview (Mr. Gilbert) because I was surprised at the totality of his attack on this bill. Knowing that he had probably represented many clients under the provisions of the Juvenile Delinquents Act, I thought he would have welcomed this bill as a major step forward. I would not have been surprised if he had attacked particular clauses in a general way, but he seemed to be suggesting that the young offenders bill was all bad. That really is not in accord with the facts.

I would have thought that the hon. member, or at least the hon. member for Greenwood (Mr. Brewin), would have discussed the bill with Mr. John Brown, the New Democratic Party member for Beaches Woodbine in the Ontario legislature. Mr. Brown is a founder of camps for emotionally disturbed children, and is probably best known as being director of the Warrendale home, about which experience he made a movie for the Canadian Broadcasting Corporation. Mr. Brown takes umbrage at much of the criticism of the young offenders act. I suggest that there are few people in Ontario who are as familiar with the provisions of the Juvenile Delinquents Act as is Mr. Brown. What does he have to say about this piece of legislation?

On Friday, January 15, Mr. Brown appeared on the CBC program called "The Bruno Gerussi Show", and was interviewed by the host. I think a portion of the transcript of that interview should go into the record for the edification of all hon. members, particularly those who might not have studied the bill and who are concerned about some of the criticism of it.

Earlier Mr. Gerussi had had Mr. Don Sinclair from the Department of Reform Institutions of the Province of Ontario on his program, and Mr. Sinclair had been critical of the legislation. When the host, Mr. Gerussi, asked Mr. Brown to comment on that criticism he said:

Well, perhaps Don Sinclair is the one single person who has made improvements in reform institutions in Ontario. It bothered me a bit to hear him attacking a bill that I feel is really basically to the benefit of children in the province and I have a feeling—that of course he is an employee of the Department of Reform Institutions—they have been party to this bill and are voicing opposition in the hope that they can exercise some, either political influence or some changes in the act.

I think the bill is a good improvement over the Juvenile Delinquents Act, and I take exception to certain things that came out. For instance, in all of the criticisms of the act both by my professional colleagues and by reform institutions people, by Judge Little of the court, and so forth, has been sort of criticism of the language of the bill—that this was going to be a criminal code for children, that they used bad unprofessional terms for kids, and this is nonsense. I've been through the act; I see two places where they use the word inmate. The bill is called the Young Offenders Bill over the Juvenile Delinquents Bill. They speak of young persons continually throughout, and I just don't see that the language of the bill has any basis for criticism.

I think it very legal, very proper, and I don't know what else you would call a young person who is deviant. The psychologist and the pyschiatrist would call him a patient, and the social worker would call him a client, and the sociologist would call him a deviant. In the reform institutions they would call him a delinquent at the present time. I would call him a child, and the act calls him a young offender, which means he is a young person under a certain age and he has committed some kind of an act that is contrary to the codes established by the community.

There are some very important things about this act though that we should look at. Instead of calling it a criminal code for children it's a bill of rights for kids. Up to now it has been possible to charge children with juvenile delinquency if they had no place to live, and I myself engineered and set out a legal action against the reform institutions a number of years ago to defend a 15-year old who was declared a delinquent because she had no place else to go. So, I know some of the dangers to children.

These children are not defended. They usually, if they have parents—the parents are usually confused and don't know their rights and so forth; so a kid who doesn't have a place to go is suddenly declared a juvenile delinquent and sent off to a training school, and has the record of a juvenile delinquent for the mere fact that nobody cared enough for him to put him someplace.

The host then indicated that Mr. Sinclair had referred to the fact that under this bill a young person could be sentenced to a specific time, up to three years, and suggested in that sense that he is treated as an adult and as a criminal. In reply Mr. Brown said:

Actually I don't think that's true and I don't make that interpretation of the act myself at all. There are two aspects that go with that. One is that a child, as well as any other person, should have his civil liberties declared in law and rooted in law so that if they are violated he has some legal recourse to it. So, the access the child must have—a specific charge—that's one aspect of it, and I agree he should have a specific charge, and he should know that charge, and he should have the right to legal counsel and defence, and he is doing precisely that which the act sets out which it hasn't done before.

Then, in terms of the sentence all professionals would like to think they're God and they would like to think that they can judge how long a kid should be in their treatment and how long he shouldn't, and of course that's one of the great, great travesties on individuals at the present time.

Thank God even in the psychiatric hospitals there is a limit set for children. Usually in the pyschiatric treatment unit they say six months, and these are psychotic children. I don't see how the same government can say they need more than three years to deal with a delinquent child.

My hunch is that it is a very bad thing not to have a definite time limit because it means a child can get lost. We have a large number of children in the province of Ontario who have gotten lost in our institutions, and this act, not just in Ontario but across the country, says this will not be possible in the future.

It says many other things very definitely and specifically that are helpful, that protect the child and set limits on the professional person who helps the child, in terms of length and what

he must do, but doesn't interfere with good treatment for the child.

Throughout the act they are advocating good treatment, and the nicest thing about the act is it says that a child should be treated with the respect and the responsibility that a parent would exercise over his child in each of these instances.

The host, Mr. Gerussi, picked that up and said:

That immediately becomes debatable and one of the reasons so many children are in trouble is because the parents do not, don't know how, have no judgment about exercising parental care.

Mr. Brown's reply to that was:

But let's look at it. The fact of the matter is the majority of children do all right, and it is precisely because they are involved with parents who exercise a proper care over them. In terms of numbers there's a small minority over the total population who have difficulty, and in those instances the parents are not—for one reason or another—and the act specifically says they should be placed in such circumstances, and the people who take them be charged to be responsible as a good parent would be responsible for his child.

• (4:30 p.m.)

It was interesting to note that after all these pleasant things Mr. Brown had to say about the bill, the host ended with the comment, "Mr. Brown thinks that Bill C-192 has some merit." What are my personal conclusions? I agree with Mr. Brown that this is a better piece of legislation than the present act and I have already used his words that it is, in effect, a bill of rights for children. This bill, in my opinion, can lead to the road to reform.

No legislation, Mr. Speaker, can make a policeman kind, a judge fair, a probation officer objective, a foster parent compassionate nor a social worker dedicated. We give them solely the framework within which to work, and then provide the safeguards in the bill as protection for the young person. The government, recognizing it cannot through legislation change a person's attitude, have endeavoured in clause 4 to at least set the kind of guidelines that they would like to see followed by persons operating under the provisions of this bill. The bill states loudly and clearly to the judge, to the policeman, to the probation officer, to the foster parent, to the social worker and to any others who are operating under its provisions as follows:

This act shall be liberally construed to the end that where a young person is found ... to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision—

The government, recognizing the prime responsibility of parents for their children, has taken the steps feasible to require the attendance of the parent with the young person when he is being dealt with pursuant to the provisions of this bill. Some people would change the name of the bill to something like The Young Persons and Children's Act. I believe this view is shared by other members. With the greatest of respect to their opinion, it seems to me that this bill is not applicable to all young persons or all young children but only to those who break the law. Happily, they are a very small segment of our over-all population of young people. I am not certain that this point of view which they express or which I express, is particularly important and I would have no fault to find if the Solicitor General saw fit to change the name of the bill.

I am somewhat concerned about the age factor. It seems to me that 12 years of age might be more appropriate, but then I ask myself how we are to cope with a 10 or 11 year old who breaks the law. I think the young offenders act protects this position and gives probation officers, psychiatrists, sociologists and others the opportunity to help these young people, possibly by the court adopting the suggestion of the hon. member for Broadview (Mr. Gilbert), namely, distinguishing between a summary and an indictable offence. I am not too upset over the word "inmate" nor the reference to the Criminal Code, but if a word with a similar meaning but more euphemistic could be found, then I doubt if the Solicitor General would object to that kind of an amendment.

I know my colleagues on the Committee on Justice and Legal Affairs will give this bill careful scrutiny. I share the view of the hon. member for Sault Ste. Marie (Mr. Murphy) that lawyers can deal with this kind of measure because they have had to cope with it on a daily basis. I respect the position of the Canadian Mental Health Association. If they feel as strongly about this bill as they seem to in their correspondence and their brief, and if they are in fact correct in the long run, I hope that position will prevail. To date, however, I have not read anything nor heard any debate that would dissuade me from the view that the young offenders act is a much improved piece of legislation over the Juvenile Delinquents Act.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, in the next few minutes I wish to deal with the amendments that I deem necessary before the adoption of Bill C-192, an Act respecting young offenders and to repeal the Juvenile Delinquents Act.

First of all, I wish to say that the proposal is positive as a whole. In my view, young offenders represent a concrete reaction to the numerous contradictions of Canadian society. They should therefore be considered not as wrong-doers but as victims. As Judge Trahan of the Juvenile Court, where I had been invited, said last Thursday: "If it has showed on the parents, it is the children who will reap the avalanche."

Mr. Speaker, as elected representatives of Canadian society, we must endeavour to make available to these young offenders all the means required to ensure their complete and satisfactory rehabilitation.

In examining the bill before us today, I realize that the government is making a worthwhile effort to improve the present act which, as you know, goes back to 1929. It is therefore absolutely necessary that young delinquents be considered in the light of twentieth century thinking and that these young people called destructive elements of society in the old days, and by direct consequence rejected by it, be today deemed victims of the conflicts within our civilization.

The young people have a dynamic but deviated personality which must be set straight and put to use for the improvement of our society so that they will become law-abiding citizens.

As I said before, I believe that the bill is acceptable as a whole. However, to my mind certain amendments would greatly improve the scope of Bill C-192 in respect of its practical enforcement.

Therefore, my remarks are aimed mainly at bringing to the attention of the government the risks of interference with human and judicial freedom that certain ambiguities in this bill seem to allow.

Clause 2(o) of this bill provides that a probation officer shall be appointed by a judge.

So as to enable the House to see it, I shall quote this paragraph:

"probation officer" means a person appointed or designated as such under an Act of the legislature of a province, or a person designated in writing by a judge to perform the duties of a probation officer generally or in a particular case;

I object strongly to this state of affairs, for the four reasons that follow.

First, it does not rest with the judicial power to make a decision which comes under the administrative power. We cannot leave it to judges to appoint policemen, or even clerks of the court and much less the support personnel. It will be agreed that a judge cannot appoint probation officers, either because, if it were so, we would be restoring the family compact and setting the stage for influence pedding, and I strongly disapprove of that.

• (4:40 p.m.)

Secondly, I consider that the provisions of that clause leave too much discretion to a single person and might lead to abuse of power.

Thirdly, probation is, in my opinion, a specialized action the application of which cannot be left to judges or to any other individual who does not have the necessary qualifications to do so. We must admit that the appointment of some judges leaves the population thoughtful and that indirectly, a number of them are often severely criticized, because they are compelled to reach conclusions or make decisions in fields with which they are not sufficiently familiar.

Fourthly, I believe that giving such a power to judges will lead to the layoff of several probation officers who would have different conceptions of the services to be rendered to young offenders. I maintain the probation personnel is now a very important professional body whose value and maturity Bill C-192 could not deny.

Mr. Speaker, the wording of subclauses 17 (1) and (2) on page 12 of the bill tends to indicate that the probation officer is somewhat a peace officer. I quote:

(1) A summons issued under section 8 or a notice given under section 15 may be served by any peace officer or probation officer or by any person designated by the person who issues or gives it, or may be sent by mail.

Here is subclause (2):

(2) If a young person or a parent, to whom a summons or notice is mailed, does not appear in court at the time and place named therein as thereby required, a second summons or notice may be issued or given, which summons or notice shall be served by a peace officer or probation officer or by a person designated by the person who issues or gives it, by delivering it personally to the person to whom it is directed, or if that person cannot conveniently be found, by leaving it for him at his latest known address with some inmate thereof who appears to be at least seventeen years of age.

I therefore consider that there is a contradiction in the terms which should be cleared up. To my mind, this is a serious weakness; it could provoke the anger of probation officers who are certainly, as I see it, not peace officers but rather counsellors.

Clause 30 (1) (f) at page 25 of the bill, has this to say about the judge, and I quote:

he may place the young person on probation for a maximum period not exceeding two years;

Mr. Speaker, I suggest that the judge may recommend a probation period for the delinquent, but that the probation officer is in a much better position to know precisely how long the period of detention or surveillance should be in each case. Furthermore, I believe the probation officer may also allow the delinquent to resume his proper place in society after a period which he alone, in my opinion, can determine. Actually probation should apply to a special group and not be the direct and automatic consequence of the delinquent's behaviour.

I feel that the expression "foster home or group home" appearing in Clause 30 (1)*g*) should be defined within the bill. It should be better defined in order that it may not become a catch-all.

Mr. Speaker, I should like to call the House's attention to a document received on January 20 last, from the Director general of Boscoville in Montreal. In his letter, Mr. Gendreau referring to clause 30(4) of the bill, on page 27, writes as follows:

The Rehabilitation Process

Boscoville considers it unthinkable in connection with a rehabilitation process to demand that a young person who has benefitted from rehabilitation measures should face a second trial at the end of his period of probation in a school where he went through a process of change. Such a procedure is similar to advocating euthanasia for patients with a sickness considered extremely serious at the start and that could have been treated successfully. That clause must be fought with all the power of those who have understood what the rehabilitation of a young offender was all about. The Boscoville experience shows that it is possible to save such young persons while protecting society without for all that starting over again court procedures which would for all practical purposes result in an extremely serious regression of the personality of the young person who would under such circumstances have to go through a new trial. We even think that such a measure amounts to eliminating the real rehabilitation opportunities for these youths. Therefore, we deny the validity of this clause.

Mr. Speaker, I think that Mr. Gendreau's statement proves his experience in this field as well as the advisability of rejecting this clause of the bill.

Clause 35, subclause (2) of Bill C-192 reads as follows:

Where no probation officer is available to conduct an investigation and submit a pre-disposition report, the judge shall himself make the investigation referred to in subsection (1) and complete a written report thereof, but he shall not do so until after he has made a finding that the young person appearing before him committed an offence.

I believe that under this subclause the judge is given powers beyond his jurisdiction. Is it logical for the judge to be investigator, policeman, psychiatrist or court clerk in the same case. I do not really think that the reason brought forward—unavailability of probation officers—could justify such a procedure. It would be granting a judge too much power and too much judicial and administrative freedom. A judge is a judge, but only a judge. Therefore, he must not try to perform the duties mentioned a few moments ago. The definition of a judge would then be completely falsified. He must remain neutral in his field, namely that of applying the law to the best of his ability, the reason why he was appointed and sworn in.

Thus in the following pages where the duties of the probation officer are defined, everything is ambiguous and complex and in my opinion this will result in dry and useless discussions.

I should like to draw once again the attention of the House to the document received from the Director General of Boscoville. Three short paragraphs from this document are, in my opinion, very constructive. I quote:

Judge and "Superintendent"

We should avoid giving the superintendent the responsibility of transferring a young person from one training school to another, in contrast with the provision of Clause 47 (1). The judge should be the person to assume the efficiency of rehabilitation measures that society, which he is representing in the last resort, takes for this young person. This should be respected if we want the judge to play the part that experience has proved to be essential to successful rehabilitation.

I agree with these remarks and I believe the government should seriously consider this particualr aspect of the bill. The second comment reads as follows with regard to Clause 59, subclause (2) paragraph (b) on page 53 of the bill, and I quote:

A judge may by warrant commit a young person to detention. It seems to us that such a measure should not be applied towards a young person when there are detention facilities for adolescents within the judicial area where the proceedings are taking place. Being in contact with adult prisoners during imprisonment previous to a rehabilitation measure is inappropriate and a young person who is put in such a situation may well be stigmatized. Past experience has shown that such measures must be avoided if possible.

Once again, I strongly recommend that the government should consider this aspect in order to prevent the young offenders from falling prey to the nefarious influence of hard-core criminals. We are dealing with unlucky youngsters and not with the scum of society. Let us remember that.

I am now coming up to a point which appears to be vital and to which we never pay enough attention. I am speaking of clause 60(4) on page 55 of the bill, which reads as follows:

No person shall, except with leave of a judge, publish by any means any report

(a) of an offence committed or alleged to have been committed by a young person

Mr. Speaker, the mere phrase "except with leave of a judge", in my opinion, destroys the legal scope of this paragraph. Does the law provide for some preference? Is it a good thing, whatever the significance or the sensational aspect of a case from a journalistic point of view, that a youngster should all of a sudden become the subject of a kind of publicity which will sully his reputation for ever? Is there one judge in Canada who does not understand this prime aspect of the young person's rehabilitation? In my view the government in this specific case, with the six words that I dispute thoroughly, is permitting abuses contrary to the most elementary freedom of the accused. I should like to quote the remarks of Mr. Gendreau of Boscoville in this regard:

It is said that it is possible for a judge to give permission to publish certain accounts of the trial of a young person.

For rehabilitation purposes, we fell that we must ban all publicity concerning the delinquent action of a young person when he appears before a children's judge. No permission to disclose to the public any aspect of the family or personal problem should be granted. The risks involved are too great for such a thing to be allowed.

This is clearly viewed from the rehabilitation standpoint which definitely implies that an individual should not have to bear social stigmas which are not conducive to social reinstatement. This is unavoidable in the case of adults and under no circumstances must it be permitted in the case of young people, for it would be a backward step.

This quotation is self-explanatory and if anyone should know something about rehabilitation in Quebec, it surely is Boscoville's director general because he is right in the middle of it.

In my view, the bill is positive in its principles. We are endeavouring to defend the young delinquent by helping him through the enactement of positive, not punitive laws.

This for example is truly a backward step as compared with the law of 1929 respecting probation. Already that act recognized the administrative role of probation officers. As I suggested briefly a few minutes ago, Bill C-192 authorizes the judge to designate whom he wants as probation officer and it even grants him the right to act as one and I am against that.

I believe the bill should be amended to take the present situation in consideration. Today, almost all provinces have probation services established under provincial statutes. Through experience it has been possible to rationalize the social role of probation services. At the same time, professional and scientific elements were gradually integrated into the practice. This measure is applied within officially constituted services. Of course, the work of probation services is always connected to the implementation of the act.

However, to submit its activities to the control and goodwill of the judge is nonsensical and anachronic. In that bill, I note a clear interference by the federal government in an exclusively provincial jurisdiction and in a field already held by the province. In my opinion, the federal government must not in any way define the role, functions, rights and duties of probation officers. This responsibility comes under the provincial government and as far as I know, that government wishes to continue to assume its responsibilities in that field.

Mr. Speaker, it is therefore obvious to me that this bill, as drafted, cannot be passed. There are meaningless

words in it, some complicated sentences make numerous paragraphs, and risks of interference by the federal government in provincial jurisdiction and by judges in the field of probation officers are obvious in it.

I feel that the future of these young people is important and should clearly orient this legislation, so that this bill does not become the cause of a conflict of judicial interests between the provinces and the federal government.

Although changes should be made to it, it would be desirable that the bill be avant-garde, constructive and positive, and not punitive and adamant.

Mr. Speaker, I would sincerely wish that the present government take my remarks into consideration.

• (4:50 p.m.)

[*English*]

Mr. D. R. Tolmie (Welland): Mr. Speaker, one of the most important bills now before Parliament is the young offenders bill. It has been the subject of very much controversy. I think all hon. members agree that the Juvenile Delinquents Act, dating back to 1929, should be changed. The problem is that many people expert in the field of delinquent behaviour cannot agree as to the nature of the changes.

The reason that this bill is so important is that its provisions will affect the lives of thousands of young Canadians for years to come. These young Canadians could be my son or your son. If we pass a bill containing the right ingredients of protection of society, safeguarding the civil liberties of the young, with deterring effect and rehabilitation procedure, we will not only be doing a service to the young people involved but in the years ahead we will be saving this country literally millions of dollars now being spent on penal institutions. That is why this bill is so important.

When one inspects the costly penal and reform institutions now in existence, it is easy to see what a tremendous financial saving could be achieved. By reducing the number of inmates, we could materially reduce the number of institutions. Therefore, it is of the utmost importance to prevent as many young people as possible graduating from youthful offenders to hardened adult inmates. An enlightened progressive juvenile law will go a long way toward achieving this objective.

When the young offenders bill was introduced for first reading, it met with considerable opposition from various organizations and individuals experienced in dealing with young offenders. Naturally, we must give a lot of weight to these opinions, but certainly not to the point where a reasonable discussion of this bill cannot ensue. Before anyone categorically renounces the philosophy of and procedure under this proposed legislation, it should be remembered that this was not the hurried product of the Solicitor General's department. It had been the subject of extensive deliberations and hearings dating back to 1961. Those on the Department of Justice Committee sought out the opinions of persons knowledgeable in a number of fields and activities. They met with officials of provincial government departments, juvenile and family court judges, training school personnel, probation officers, university professors and private agencies. Many of the recommendations of this committee are now embodied in a new young offenders bill.

We cannot lightly set this bill aside unless, after further hearings, the preponderance of opinion seem to dictate substantial amendments. For those who uphold the present proposals and those who attack them, there is a common objective, to protect society and at the same time treat the young offender with a happy blend of enlightened severity and humane understanding with one avowed purpose, to restore him to society as soon as possible.

May I call it five o'clock, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Compton (Mr. Latulippe)—Finance—Abolition of sales tax on sale of construction material; the hon. member for Selkirk (Mr. Rowland)—Canadian National Railways—Reduction of passenger service in Northern Ontario—Suggested holding of public hearings by transport committee; the hon. member for Timmins (Mr. Roy)—Canadian Broadcasting Corporation—Mid-Canada program on "Weekend"—Action to rectify alleged dishonest presentation.

ROUTINE PROCEEDINGS

ECONOMIC COUNCIL OF CANADA

TABLING OF REPORT ON INTELLECTUAL AND INDUSTRIAL PROPERTY

Hon. Ron Basford (Minister of Consumer and Corporate): Affairs): Mr. Speaker, I wonder if I may have the unanimous consent of the House to revert to motions for the purpose of tabling a document.

Mr. MacLean: This is agreeable to us, Mr. Speaker.

The Acting Speaker (Mr. Richard): Is it agreed?

Some hon. Members: Agreed.

Mr. Basford: Mr. Speaker, I am very pleased to table two copies, in each of the official languages of Canada, of a report of the Economic Council of Canada entitled, A Report of Intellectual and Industrial Property.

[*Later:*]

Mr. McCleave: Mr. Speaker, I believe my hon. friend from Edmonton West has a question of privilege to raise. I stood up in order to give him a chance to get back to his place.

Economic Council of Canada

Mr. Lambert (Edmonton West): I rise on a question of privilege, Mr. Speaker. I am sorry I was moving while Your Honour was putting the motion to which the House has just agreed; I was getting back to my seat in a hurry. I had been trying to ascertain the exact title of the document which was tabled before five o'clock, because it is in connection with that document that I wish to raise my question of privilege. It is unfortunate that the minister who tabled the document is not here, but I think the House would be interested to learn that this report of the Economic Council of Canada under the very impressive title "A Report on Industrial and Intellectual Property" was disclosed to the public at a press conference at eleven o'clock this morning.

Some hon. Members: Shame.

Mr. Lambert (Edmonton West): The Economic Council has no obligation to table this document in the House at any particular time but I would point out, in connection with the question of privilege, that after this document had been released to members of the press under signature at eleven o'clock, hon. friends of ours were called up by newspapers and asked to comment on it. When they learned that the document had been released, they went to the distribution office of the House and were told they could not have the document until it had been tabled in the House. This is the point to which I wish to address my comments. I think it is absolute nonsense for any ministry or agency of government to issue any of these documents before they are tabled in the House if there are to be any restrictions on the issue of that document to hon. members until it has been tabled. That is the point I wish to make—if there is no obligation on the ministry or on the agency to table a document and there is a restriction placed thereon. I have no complaint if the department or agency issues it to the press beforehand; we may recognize that the minister is seeking publicity beforehand, but that might only be a grievance.

The question of privilege arises when members of this House are told they cannot get a document before it has been tabled, although members of the press are running around with it in their hands. They have reported to their newspapers, stories are on the wire and editors are calling local members to learn their views about it. And the members have to ask: What document? I am fed to the core with this sort of thing. We have had too much of it and the more we protest this unequal and inconsiderate treatment the more, perhaps, it will be realized that this chamber is the focal point of the operation on this Hill, not some minister's office. I do not know whether members become statesmen when they become ministers or whether they become arrogant or whether they become solid ivory between the ears but they forget, when it comes to treating members of this House, that they themselves are members of Parliament and that they are collectively responsible to this House. We shall continue to complain until they realize that they, too, are members of the House and responsible accordingly. This is my grievance and I raise it as a question of privilege on behalf of all hon. members.

Some hon. Members: Hear, hear!

[Mr. McCleave.]

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I do not wish to multiply words but I fully support the protest which the hon. member for Edmonton West has made. He is absolutely right.

Mr. Bell: I, too, wish to support this protest but I should like to find out whether any hon. member on the government benches is prepared to stand up and defend the ministry on this issue.

[*Translation*]

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): The hon. member should address the House or yourself, from his seat, Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Richard): The House has heard the protest made by the hon. member for Edmonton West and others. The position has been made very clear and I think we should proceed now with the business of the Private Members' Hour.

Mr. Cullen: I am informed, Mr. Speaker, having telephoned the minister's office, that this information was given to the press for release at five o'clock.

The Acting Speaker (Mr. Richard): I do not believe we should enter upon further discussion or debate on a question of this kind. The point has been made; although the minister was not here. I think it is clear from the statements presented that this was in the nature of a protest. The views of the hon. members who spoke have been made known and they will be on record in *Hansard*.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's Order Paper, namely public bills.

• (5:00 p.m.)

PRIVATE MEMBERS' PUBLIC BILLS

CANADIAN NATIONAL ENVIRONMENT WEEK

MEASURE TO MAKE PEOPLE AWARE OF ENVIRONMENTAL POLLUTION

Mr. Tom H. Goode (Burnaby-Richmond-Delta) moved the second reading of and concurrence in amendments made by the Senate to Bill C-25, respecting Canadian National Environment Week.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, could we be told what idea Their Honours came up with?

Mr. Goode: Certainly, Bill C-25 received second reading in the other place on March 16. The bill was sponsored there by the Hon. Alan Macnaughton, a distinguished former Speaker of this House. To him and the other hon. senators who gave sympathetic consideration to this bill I express my sincere thanks.

During the course of debate in the other House it became clear that there was a certain concern about the name "Canadian National Environment Week". The general feeling, expressed by Senator Martin, was that the name was too cumbersome and thus would not lend itself to efforts to have it well remembered in the minds of citizens across this country. The suggested change was the deletion of the word "National" throughout the bill with the result that the week would be known simply as Canadian Environment Week. The bill was referred to the Standing Senate Committee on Health, Welfare and Science for consideration of such an amendment. In committee it was unanimously agreed that such a change was desirable and thus the bill was reported, as amended, by deleting the word "National", and given third reading in the other chamber last Wednesday.

I feel that the change of title to "Canadian Environment Week" makes Bill C-25 a better and potentially more effective piece of legislation. I therefore ask the concurrence of the House in this amendment.

Mr. Thomas S. Barnett (Comox-Alberni): It occurs to me that a word of comment about the various metamorphoses through which this bill has passed might be appropriate at this point.

As you may recall, Mr. Speaker, it was originally introduced by the hon. member under the name of Canadian National Pollution Awareness Week. I believe it does say something for the value of careful consideration in committee that the House of Commons committee made one proposal for a change of name; several were actually considered. Then again, the committee complied with the suggestion which it received that the timing of this particular week be changed to allow of its observance in the fall rather than in the spring. Now, Their Honours have made a proposal, through their amendment, which I would agree improves the bill, by making the title less cumbersome. I am sure we would all concur in this amendment and express a hope that this particular week, which will become the second week to be officially observed by Act of Parliament, will be used by citizens of coming generations to improve the environment. I am happy to support the proposal by an hon. member who comes from another constituency in the Province of British Columbia that this amendment be concurred in.

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

* * *

• (5:10 p.m.)

CRIMINAL CODE

AMENDMENT RESPECTING IMPAIRED DRIVERS

Mr. W. B. Nesbitt (Oxford) moved that Bill C-33, to amend the Criminal Code (control of motor vehicle), be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker—

Mr. Forest: Mr. Speaker, I rise on a point of order. The hon. member's bill seeks to amend the Criminal Code by adding a new section 223A. The explanatory note refers to sections 222 and 223. The bill gives the wording of sections 222 and 223 of the Criminal Code that existed before the amendments that were adopted by the House in 1969, I believe, in the Criminal Law Amendment Act which we referred to as the omnibus bill.

I submit that, as presented, the bill could not be referred to the justice committee without amendment because it refers to sections of the Code that are no longer in existence. Sections 222 to 224 were amended by the omnibus bill. I raise this point because I expect many hon. members will be interested in the bill. Although debate will go until six o'clock and the bill will not be referred, I would point out that in its present form the bill is irregular and would have to be amended.

The Acting Speaker (Mr. Richard): I suggest to hon. members that we proceed with the debate on the basis that the sections of the Criminal Code referred to are the amended sections, unless the hon. member for Oxford has some other suggestion.

Mr. Nesbitt: I thank my hon. friend for bringing this matter to the attention of the House. I think there is a patent error here that has escaped the law officers of the House. However, it is the substance of the bill that is of importance and perhaps the clause of the bill could be amended accordingly. As I say, the hon. member is quite correct; there is a patent error here which may be due to a misprint or an oversight.

The Acting Speaker (Mr. Richard): Then, we will proceed on that understanding.

Mr. Nesbitt: Mr. Speaker, the substance of the matter is clearly explained in the explanatory note to the bill. The purpose of the bill is to amend the Criminal Code so as not to penalize drivers of cars who, realizing that they are intoxicated or that their ability to drive is impaired, are wise enough to stop their car immediately and refrain from continuing their journey for as long as their state lasts. In other words, the purpose of the bill is to get drunken and impaired drivers off the road and to encourage them to stay off it.

I think most people in this country, even the government, would agree that this is desirable. Only last year, I think it was, the government brought in some good legislation in this regard when amending the Code by providing a breathalyzer test for drivers who were considered to be intoxicated or impaired. This legislation has had a good effect and proved to be a deterrent to driving while intoxicated.

This bill is carrying that step a little further in that it seeks to keep off the road drunken drivers, who as everybody knows are a menace not only to themselves but to other drivers on the road. As Your Honour knows, under the present law a person who, realizing he is intoxicated, drives his car on to a side road off the main highway, takes the keys out of the ignition and places them in his pocket, and perhaps even sits in the rear seat of the car,

according to judicial interpretations is nevertheless considered to have the vehicle under his care and control. He can be punished by an automatic sentence of 30 days and/or fine, with suspension of driving privileges. In other words, such a driver is punished for having the good sense to drive his car off the road and to stay off the road. In my opinion, that makes no sense.

The provisions of the Code are clear. I feel that the phrase "care and control of a motor vehicle" has been interpreted by the courts very unreasonably. Under the illustration I have just given, whether or not the car is in motion, the driver is guilty of an indictable offence. Originally the judicial interpretation, as I recall it, was that if a person were sitting behind the wheel of a car and had even stopped the motor running he was still considered to have care and control of the vehicle. Then, the courts went one step further and decided that even though the keys were not in the ignition, he could still be charged. Eventually, the point was reached where even a person asleep in the back seat of the car was considered to have care and control of the vehicle, which I suggest makes no sense.

The fact is that instead of helping to keep drivers off the road, judicial interpretations of this kind have hindered this objective. Under these conditions, most people in an intoxicated state would keep on driving and take a chance on the cops not picking them up rather than pull over to the side of the road and stop the vehicle, because if the police look inside the car to see what is wrong they will be picked up anyway. I submit the existing law encourages drunks to keep driving, and I can think of nothing more foolish than that.

What is the situation in Great Britain? That country usually has forward looking laws in this regard. The British parliament changed its law, and the wording of my bill is much the same as that of the bill presented to the British parliament some years ago. I believe in 1965 the British parliament saw the anomaly existing in their law which encouraged drunk drivers to keep on driving, and I understand that the change they made has been of considerable assistance in improving the situation.

I have presented this bill on a number of occasions and the press has been very favourable to it. In fact, I have seen no unfavourable comment. The Toronto *Star*, which is considered a paper that supports the government, printed a very favourable article in 1966, and I have seen others since. I understand that a number of members of the House in all parties feel that this would be a useful amendment to make to the Code. In fact, I have yet to hear any arguments raised in opposition to it. This is why I shall be very interested to hear what government members who oppose the bill—and I understand it is to be opposed—have to say.

I am curious about one aspect, Mr. Speaker. Even if there are reasons, which I am anxious to hear, for opposing the bill, I cannot understand the government's refusal to let the bill be referred to the Standing Committee on Justice and Legal Affairs. The reason, of course, may be due to the usual attitude taken by members on that side of the House. I refer to the attitude that has been taken by the Liberal party since the days of the late C. D. Howe. Although they have good attributes in other ways, one thing all hon. members opposite have in common—some people might refer to it as arrogance—is the attitude that only the members of the Liberal party have sound ideas; no one else is capable of voicing sound ideas, even people from other countries. The repository of all brains is in members on the government side of the House.

Perhaps that is the reason the bill is being opposed. Another may be that the senior officials, of the Department of Justice, and the minister himself, have decided that this amendment is not a very good idea because it does not fit into the doctrinaire approach to the Criminal Code. In the view of these people we must be made to fit the doctrine, the doctrine must never be altered to fit the people. We must not keep to the doctrinaire approach. There is a type of armchair debate among lawyers about which we often hear. Being a lawyer myself, I have heard of it. A number of lawyers gather around in comfortable armchairs and debate some of the fine principles of law which often are not very relevant. Sometimes they say that to be consistent the law should be one thing or another. That is fine perhaps so far as civil law is concerned. Certainly, I would be the first to admit that the law officers of the Crown and the public servants in the Department of Justice are experts at drafting laws and in constitutional matters, but I doubt if any of them has had much experience in enforcing the criminal law. I am sure the minister himself is in that category. One member of this House, the hon. member for New Westminster (Mr. Hogarth) has had some practical experience as a Crown attorney. In days gone by, I have such experience myself.

• (5:20 p.m.)

I would remind the government that the purpose of the law is not that people should fit into some precise niche in respect of the criminal code. We are dealing with people, and I believe a more practical approach is required. In this amendment the burden of proof is entirely on the accused, and he must prove a number of things which are not easy to prove. This is made clear. A number of quite difficult things must be proven. It is up to the judge or magistrate to decide whether or not he accepts the evidence presented by the accused on his own behalf. The way I read this amendment, and according to the advice I have received, there would not be much opportunity to fool the courts or to misuse the law by reason of the particular wording of the amendment. I believe those persons who have tried to exercise good sense in taking their cars off the road when they feel they are impaired or intoxicated should at least be given credit for this. This would not be easy to prove and I have deliberately phrased the amendment in this manner. I believe, however, that those persons who try to keep off the road in these circumstances should be given appropriate consideration and should not be punished for exercising a little sense.

As I mentioned, this view has been held in other countries. Public opinion would seem to favour this type of amendment. I would hope hon. members who do not

see fit to support the legislation at the present time might be persuaded to change their minds.

[*Translation*]

Mr. Yves Forest (Brome-Missisquoi): Mr. Speaker, I certainly cannot support the hon. member's bill, even though I agree that in some extreme and exceptional cases presumption could create embarrassment. But the bill in its present form could certainly not be sent to the Justice and Legal Affairs Committee for study because it would have to be amended. In fact, as I mentioned before, it refers to Criminal Code sections 222 and 223 as they were before the amendment of section 222, which covered the crime of driving while intoxicated or under the influence of drugs, and section 223 which involved driving a vehicle while impaired by alcohol or drugs. It is therefore a slightly less serious crime than under section 222.

Well since the bill was amended section 222 was deleted and moreover the minimum imprisonment of seven days on summary conviction was cancelled. The new section 222 pertains to driving a motor vehicle while the driver's ability is impaired owing to intoxication or the influence of a narcotic and retains the word "imprisonment" but only for the second or subsequent offences.

A new section 223 was added which covers the refusal without legitimate reason to give breath samples when a police officer requests them for valid and logical reasons.

Then a new offence was created under section 224, that of driving with a blood alcohol content of over .08.

I find it difficult to understand the wording of the bill as it contains a new clause, clause 223A, which states as follows:

"Sections 222 and 223 shall not apply where the motor vehicle is not in motion and the driver, having realized that he was intoxicated or that his ability to drive was impaired, has, for that reason alone, refrained from putting his motor vehicle in motion or stopped the same, and is also in a position to establish that he had no intention of driving or continuing to drive, while intoxicated or while his ability to drive was impaired."

The accused still has to prove that he did not intend to drive or to continue driving.

So, there is not much difference with the old section 224 (2) which contained the following assumption: where a person occupies the seat ordinarily occupied by the driver of a motor vehicle he shall be deemed to have the care or control of the vehicle unless he establishes that he did not enter or mount the vehicle for the purpose of setting it in motion.

Now, the clause proposed by the hon. member for Oxford (Mr. Nesbitt) does not amend much the present provision, since the former provisions of the act allowed for this presumption. And if I am not mistaken, this presumption was introduced into the Criminal Code in 1947. This was certainly logical because previously a driver could easily establish that he did not intend to drive his vehicle.

Obviously, when Parliament passed that legislation, it was thinking of all the dangers involved when a driver, willfully or nor, drives a vehicle while under the influence of drugs. Usually the person himself knows what was his intention when he decided to drive his car.

In the explanatory notes it is said that the purpose of this bill is to amend the Criminal Code so as not to penalize drivers who are wise enough not to drive or to stop their car immediately.

Perhaps it was mentioned that some drivers are smart enough to stop their car in certain cases and say they did not intend to drive it. So it might be too easy perhaps to establish their non-responsibility.

I agree with the hon. member that, in some cases, it is not easy to prove it, as far as care and control of the vehicle is concerned and, in the past, various decisions have been rendered as shown by our jurisprudence. Even in certain cases when it was utterly impossible to drive a vehicle because it had come to a dead stop due to outside circumstances, the accused was found guilty. Let me say to the hon. member that there are many extreme cases.

I remember one from days of private practice. An individual walking out of a hotel and who felt intoxicated asked one of his friends to drive his car. He had asked his friend to drive him home and while driving through a narrow street a slight accident happened. Of course, the car stopped and the owner was later asked by the police to take his car out of the way, then he was given a ticket for driving while his ability to drive was impaired. Although these facts had been recognized, the judge decided that this was the law and even though the car had been driven only about 100 feet the driver was responsible and the charge stood.

I admit that there are extreme cases where it is difficult to establish the presumption provided for in the law. But are we going to ignore this presumption, considering that in all the other cases where the drivers have stopped their car or are asleep at the wheel they have the care or control of it and have little chance of driving their car?

We all admit that with the number of car accidents and the daily parade before the courts of people charged with driving while their ability to drive was impaired, there is no need to restrict the prescriptions of the act; I think that they are not too severe to cover general cases. All those acquainted with the courts and those who read newspapers see that every day a growing number of people, notwithstanding increasingly stern penalties, are charged with driving a motor vehicle while drunk or while their ability was impaired by alcohol.

There is even less need to amend the legislation since section 224 was enacted and use of breathalyzer established positively determine the proportion of alcohol in the blood of a motorist. The rate of .08 per cent recognized by all experts, as was outlined in the Committee on Justice and Legal Affairs during the study of this matter, had been suggested and was approved, I believe, by the Canadian Bar Association and several other bodies whose opinion was that a higher rate would make driving a motor vehicle extremely dangerous. I could quote statistics before the House in that respect. Everybody knows that such cases occur in large numbers.

It has been established by experts that alcohol is an important factor in most fatal accidents. Now is not the time to restrict the application of the act in such cases.

Even if one does not take into account the changes that were made, this would not change much in the act as the presumption remains. As to the general principle of suppressing the presumption in some cases, I do not think, in view of the danger caused by the presence of intoxicated drivers on the roads, that the time is appropriate for suppressing or reducing the effect of the presumption created by the act.

For these reasons, I cannot support the bill introduced by the hon. member and I hope that we shall have an opportunity to hear other members concerning the changes proposed by Bill C-33.

• (5:30 p.m.)

[*English*]

Mr. Nesbitt: Mr. Speaker, I rise on a question of privilege. My friend who has just spoken made some technical objections to the bill; he said that Bill C-33 is not relevant to the old sections 222 and 223 of the Criminal Code and therefore the amendment could not be passed. In the last few moments I have had the opportunity to check this matter, and may I say as a point of clarification that I find that the bill is quite relevant to the new sections 222 and 223, although there is slightly different wording. I thought I would bring that point to my hon. friend's attention.

Mr. Kenneth Robinson (Toronto-Lakeshore): Mr. Speaker, I am pleased to have the opportunity of taking part in this debate because the subject is one which interests me greatly. I have listened to the hon. member who is proposing the bill and I must say that I am impressed with his reasoning. Personally, I would have no objection to the bill being referred to the Standing Committee on Justice and Legal Affairs, where all the lawyers in the House, including the hon. member who has spoken and myself, would have an opportunity to consider it further. However, I have some reservations and this is why I am making some remarks on the bill that we have before us.

The bill proposes an addition to the Criminal Code in the form of a section 223A which purports to prevent the penalization of drivers of motor vehicles who are wise enough to stop driving when they realize that their ability to drive is impaired or that they are intoxicated. Although the Criminal Code was amended by the Criminal Law Amendment Act, 1968-69, and the relevant provisions with regard to drinking and driving were proclaimed in force as of December 1, 1969, reference is made in the explanatory note and the suggested amendment to the sections of the Criminal Code prior to the amendment.

The Criminal Code presently contains section 224A (1)(a) which provides as follows:

> 224A (1) In any proceedings under section 222 or 224,
>
> (a) where it is proved that the accused occupied the seat ordinarily occupied by the driver of a motor vehicle, he shall be deemed to have had the care or control of the vehicle unless he establishes that he did not enter or mount the vehicle for the purpose of setting it in motion;

In other words, the onus is on the accused. A provision to this effect was first enacted as part of the criminal law of Canada in 1947, and the reference to this enactment in Snow's Criminal Code expresses the reasoning behind the enactment. Snow writes the following:

> This amendment is made following recent court decisions to the effect that a driver may be too drunk to have the care or control of a motor vehicle. The purpose of subsection 4 of section 285 is to protect people on the highway. When the driver of a motor vehicle is in such a state of intoxication that his driving is a menace to the public safety he must be considered as "intoxicated within subsection 4 of section 285 of the Criminal Code: see *Rex v. Cox*, 7 C.R. 39"—

It is to be noted that the care or control provisions of the Code are to be found in both present sections, that is, section 222 which relates to impairment and section 224 which relates to persons whose blood alcohol level exceeds .08 per cent. Care or control of a motor vehicle is possible without one being the driver. One might be acting under the direct supervision and instruction of another, so that the care or control would be in that other person. There are any number of decided cases dealing with the question of when a person has care or control, but in each case it is a question of fact which must be decided on the evidence adduced at the trial.

I think it is clear that in enacting the legislation Parliament had in mind the potential dangers of an intoxicated or impaired person who might at any moment voluntarily or otherwise put a motor vehicle in motion. Because of this real danger, and because the accused would be a person who would be best able to give evidence as to what he was doing in the car, provision was made for the presumption section. This section raises the presumption of the care or control, which the accused may rebut by evidence of his intention. The proposed amendment would not change this provision because it recognizes the obligation on an accused "to establish that he had no intention of driving or continuing to drive while intoxicated or while his ability to drive was impaired". I merely point out to the hon. member that it seems to me he is not accomplishing what he wants to accomplish by the bill that he is proposing.

• (5:40 p.m.)

In order to appreciate the extent of the onus on the accused and the effect of the care or control sections, reference could be made to the cases which are referred to in Tremeear's or Martin's Criminal Code. As has been pointed out by many lawyers and bar associations across the country, the law is clear about care or control. If drivers, in the words of the explanatory note, "are wise enough not to drive or to stop their cars immediately and refrain from continuing their journey in their present state" they should also be wise enough to remove the key from the ignition, step out of the car and re-enter it either on the passenger side or in the back seat. These steps would be clear evidence from which the court could properly infer that the accused "did not enter or mount the vehicle for the purpose of setting it in motion."

With respect, I do not think the proposed amendment accomplishes what the proposer seems to have in mind. On the other hand, I would not think that an amendment of this kind would be appropriate in light of the statistics on drinking and driving, the injuries and damages resulting therefrom and in light of the recent amendments to the Code with respect to the breathalyzer. I have the most recent statistics with respect to the number of drinking and driving convictions registered in each province under sections 222, 223 and 224 of the Criminal Code.

In Ontario the number of convictions for driving while impaired, under section 223, and driving while intoxicated, under section 222, during the period January 1 to September 30, 1969, was 12,738. The number of convictions has increased substantially since that time. For the period January 1, 1970, to September 30, 1970, under section 222, driving while intoxicated; section 223, failure to provide a breath sample, and section 224, driving with a blood alcohol content of more than 8 milligrams, the number of convictions increased to 15,669. From the statistics I have quoted for my province of Ontario it would appear that there has been an increase in convictions having to do with driving and alcohol consumption of 19 per cent.

I would also point out the statistics with regard to the number of motor vehicles registered in Ontario. In Ontario, during the period January 1 to September 30, 1969, 2,855,361 motor vehicles were registered, and from January 1, 1970, to September 30, 1970, the number of motor vehicles registered in Ontario was 2,956,043. This is an increase of 3½ per cent. From the statistics I have quoted, Mr. Speaker, you will notice there has been an increase in convictions for driving offences associated with alcohol, of 19 per cent whereas the number of motor vehicles registered has increased by only 3½ per cent. I wonder, Mr. Speaker, if it might be of interest to hon. members to have these tables printed in *Hansard*, in view of the fact that they refer to all provinces of Canada and would be of great interest to members generally.

The Acting Speaker (Mr. Richard): Has the hon. member leave of the House to include these statistics at this point in his speech?

Some hon. Members: Agreed.

[*Editor's Note: The tables referred to above are as follows*]:

TABLE 1.

NUMBER OF CONVICTIONS REGISTERED IN EACH PROVINCE

(a) Under C.C.C. Sections 222 and 223—*1969*

Canada and the Provinces	Driving While Intoxicated Section 222			Driving While Impaired Section 223		
	Jan. 1, to June 30	July Aug. Sept.	Total Jan. 1, to Sept. 30	Jan. 1 to June 30	July Aug. Sept.	Total Jan. 1, to Sept. 30
Newfoundland	220	80	300	240	160	400
Prince Edward Is.	3	—	3	174	140	314
Nova Scotia	—	—	—	897	311	1,208
New Brunswick	8	4	12	677	429	1,106
Quebec	9	—	9	2,881	1,914	4,795
Ontario	375	(12 mos.)	—	12,363 (12 mos.)		
Manitoba	38	11	49	716	298	1,014
Saskatchewan	44	22	66	723	529	1,252
Alberta	83	37	120	2,128	1,137	3,265
British Columbia	59	—	59	3,056	1,734	4,790

(b) Under C.C.C. Sections 222, 223 and 224—*1970*

Canada and the Provinces	Driving While Impaired Section 222			Failure to Provide Sample Section 223			Driving with More Than 80 Mgs. of Alcohol in Blood Section 224		
	Jan. 1 to June 30	July Aug. Sept.	Total Jan. 1, to Sept. 30	Jan. 1 to June 30	July Aug. Sept.	Total Jan. 1, to Sept. 30	Jan. 1 to June 30	July Aug. Sept.	Total Jan. 1, to Sept. 30
Newfoundland	246	150	396	20	Nil	20	137	110	247
Prince Edward Is.	29	15	44	3	43	46	137	149	286
Nova Scotia	345	106	451	61	58	119	702	620	1,322
New Brunswick	371	182	553	18	27	45	374	371	745
Quebec	3,111	2,004	5,115	—	Nil	—	310	533	843
Ontario	5,088	4,116	9,204	1,614	369	1,983	1,854	2,628	4,482
Manitoba	289	273	562	153	16	169	825	136	961
Saskatchewan	839	336	1,175	55	139	194	801	626	1,427
Alberta	1,443	n.a.	n.a.	130	—	n.a.	440	n.a.	n.a.
British Columbia	2,798	1,184	3,982	396	270	666	1,178	1,777	2,955

[The Acting Speaker (Mr. Richard).]

TABLE 2

NUMBER OF MOTOR VEHICLE REGISTRATIONS—CANADA AND PROVINCES—1969 AND 1970

Canada and The Provinces	(a) 1969			(b) 1970		
	Number of Registrations Between Jan. 1 and June 30	Additional Registrations During July, Aug. and Sept.	Total Registrations Between Jan. 1 and Sept. 30	Number of Registrations Between Jan. 1 and June 30	Additional Registrations During July, Aug. and Sept.	Total Registrations Between Jan. 1 and Sept. 30
Canada	7,061,505	451,406	7,512,911	7,307,719	459,070	7,766,789
Newfoundland	74,868	7,809	82,677	78,185	8,076	86,261
Prince Edward Island	33,859	2,925	36,784	35,326	3,148	38,474
Nova Scotia	262,708	23,123	285,831	216,641	23,510	240,151
New Brunswick	183,323	15,082	198,405	186,113	15,885	201, 98
Quebec	1,382,142	150,426	1,532,568	1,479,254	157,330	1,636,584
Ontario	2,732,442	122,919	2,855,361	2,833,043	123,000	2,956,043
Manitoba	352,290	19,590	371,880	360,741	19,773	380,514
Saskatchewan	415,630	23,831	439,461	405,972	27,692	433,664
Alberta	723,682	58,478	782,160	768,534	58,681	827,215
British Columbia	900,561	27,223	927,784	943,910	21,975	965,885

Mr. Robinson: To sum up, Mr. Speaker, in my view there is unquestionably a relationship between traffic accidents and the consumption of alcohol. I feel the present law is good law and places the onus rightfully where it belongs. Although I sympathize with the hon. member who has presented this bill, I cannot support him at this time.

Mr. C. Terrence Murphy (Sault Ste. Marie): Mr. Speaker, at the outset I would like to return to the point of order raised by the hon. member who moved this bill. As I read the bill, it purports to amend sections 222 and 223 of the Criminal Code. As I read those sections, section 222 does deal with impaired driving, or care and control of a vehicle, and section 223 provides as follows:

> Where a peace officer on reasonable and probable grounds believes that a person is committing, or at any time within the preceding two hours has committed, an offence under section 222, he may, by demand made to that person forthwith or as soon as practicable, require him to provide then or as soon thereafter as is practicable a sample of his breath suitable to enable an analysis to be made in order to determine the proportion if any of alcohol in his blood, and to accompany the peace officer for the purpose of enabling such a sample to be taken.

Then subsection 2 provides a penalty for anyone who refuses to take the test. So I submit that the proposed bill in purporting to deal with section 223 is wrong and does not make sense. There are other observations which I would like to make. The law as it now is under section 224A(1) of the Criminal Code provides as follows:

> —where it is proved that the accused occupied the seat ordinarily occupied by the driver of a motor vehicle, he shall be deemed to have had the care or control of the vehicle unless he establishes that he did not enter or mount the vehicle for the purpose of setting it in motion;

This section, while it raises a presumption, raises nothing more than a rebuttable presumption, a presumption which the accused can rebut by adducing evidence to indicate that he did not in fact intend to set his motor vehicle in motion. This is evidence which is peculiarly within the knowledge of the accused himself. There is nothing to prevent him taking the stand in this type of prosecution and giving evidence or adducing evidence which would satisfy a magistrate that he did not in fact intend to put the motor vehicle in motion, no matter where he was sitting in the car. There is a presumption that if he is sitting in the driver's seat with the key in the ignition or with the motor running that he is in care and control of the vehicle. But it is open to him, as the law now stands, to show that he did not intend to put the motor vehicle in motion, and if his evidence is accepted this is a complete defence to the charge.

I submit that under the proposed bill the accused will have in one way to go much further than that. If we read the bill closely we see he has to establish three things. First, he has to establish, strangely enough, that he was intoxicated or impaired. It seems strange to me that in a situation like this an accused should be placed in the position of establishing to the satisfaction of a court that he was intoxicated or impaired. When he has established this fact in court—and I do not know how he can go on to the next step if he has established that he was intoxicated—he must establish that he realized he was intoxicated or impaired and for that reason alone he refrained from putting his car in motion, or brought it to a stop. Then he has to establish that he had no intention of driving or of continuing to drive.

[The Acting Speaker (Mr. Richard).]

• (5:50 p.m.)

I do not know in what way a man who establishes to the satisfaction of a court that he was drunk can then establish to the satisfaction of the same court that he was wise enough to carefully park his car and that he intended to stay there. Surely, no man who is drunk will be able to satisfy anybody on this score. I submit that he would not have the mental capacity to make those decisions.

Mr. Nesbitt: That is stretching it pretty far, isn't it?

Mr. Murphy: I hope to practise law again some day and I can see where this clause could be used in some rather doubtful defences. Let us say an impaired or drunken driver is weaving down the road when suddenly a police car comes along with lights flashing and siren sounding; when the driver sees this he realizes he is drunk or impaired and so pulls his car over to the side of the road, parks it and turns off the ignition. There is no doubt that he does not intend to drive again, possibly because the policeman is by the door of the car.

Under the wording of this clause it is open to ingenious defence counsel to argue this type of defence, and it may satisfy the requirements. The man realized that he was intoxicated or impaired; there was no other reason for his stopping the car. If he had been sober he would not have stopped. He refrained from putting the car in motion again and so could satisfy the court that he did not intend to drive, particularly if he had asked the policeman to drive him home. I submit that this could be a defence under the provisions of this bill as it is presented to us. In that respect, and for purely selfish reasons, it might be wise to amend the Criminal Code in such a way so that defence counsel could have fun in arguing the matter.

I have illustrated one way in which this bill might be used to thwart the provisions of the Criminal Code which pertain to driving and drinking, but there must be many others. I do not think we should change the Criminal Code in a way which would lessen the effectiveness of the present law as it pertains to drinking and driving.

There are some interesting statistics pertaining to the increase in accidents between 1958 and 1967. One set of figures issued by the Dominion Bureau of Statistics shows that in those nine years the number of persons killed on our highways rose by over 66 per cent and the number of persons injured rose by more than 100 per cent. The statistics read into the record by the hon. member for Toronto-Lakeshore (Mr. Robinson) show that there are many more cars on the road now than there were in those nine years. I submit that we should only consider lessening the criminal law pertaining to drinking and driving when we have statistics which show that the recent amendments to the Criminal Code concerning

the breathalyzer and breath test are reducing the accident rate and the death rate.

In a speech in this House dealing with amendments to the Criminal Code, the Minister of Justice (Mr. Turner) said:

> The experience in the United Kingdom gives ground to expect that if this legislation passes there will be several hundred Canadians alive next year who would not be alive if there were no compulsory breathalyzer test. There will be several thousand more persons uninjured and several thousand more hospital beds free for people with other illnesses which would otherwise be occupied by patients broken in bone and spirit in traffic accidents.

Once we get driving and drinking under control to a greater degree than now, Mr. Speaker, I submit that only then can we consider bills such as that proposed by the hon. member. Even at that time I would suggest that a bill to accomplish the same end should be framed in a way that would prohibit defence counsel getting around the law and being able to trot their clients out of court because of weak wording.

Mr. Nesbitt: Mr. Speaker, could I put a question to the hon. member?

Mr. Murphy: Yes.

Mr. Nesbitt: The hon. member mentioned the British experience to which the Minister of Justice (Mr. Turner) referred when amendments were being made to the Criminal Code. In view of the fact that the government of the United Kingdom in 1965 passed an amendment identical to the one I am suggesting and apparently found it very satisfactory, would the hon. member not agree that it might be worth discussing in the Justice and Legal Affairs Committee?

Mr. Murphy: I am not aware of the British legislation, Mr. Speaker. The hon. member now says that his bill is identical to the British legislation. Earlier I thought he said it was close to it. I do not know what the British legislation is, but I think it is worth discussing.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. As the hour set aside for private members' business has expired, I do now leave the chair.

[*English*]

Having listened to many comments on the Criminal Code today, I am reminded of a little poem which it might be interesting to put on record for thoughtful reception by hon. members.

> When some fellow yields to temptation
> And breaks a conventional law,
> We look for no good in his makeup,
> But Lord, how we look for the flaw.
> No one asks, "Who did the tempting?"
> Nor allows for the battles he's fought.
> His name becomes food for the jackals,
> The saints who have never been caught.
> I'm a sinner, O Lord, and I know it.
> I am weak, and I blunder and fail.
> I am tossed on life's stormy ocean
> Like a ship that is caught in a gale.
> I am willing to trust in thy mercy,
> To keep the commandments thou'st taught,
> But deliver me, Lord, from the judgment
> Of the saints who have never been caught.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

YOUNG OFFENDERS ACT

PROVISION REGARDING CHILDREN AND YOUNG PERSONS

The House resumed consideration of the motion of Mr. Goyer that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs; and the amendment thereto of Mr. Woolliams (page 2381).

Mr. D. R. Tolmie (Welland): Mr. Speaker, the difference between those who uphold the principle of this bill and those who oppose it is in the approach to achieving these goals. So far as I am concerned, this is a non-partisan bill and my only question is, how do we achieve the goals that we wish to achieve? Those who support the bill—it is a government bill—apparently believe that young people who break the laws of Canada should be charged with a specific infraction and after due process of law should receive a sentence as a deterrent. The sentence, when carried out, would strongly emphasize the rehabilitation of the individual.

Those who oppose the philosophy of the bill seem to believe—I hope I am right in this assumption—that young offenders should be treated as a behavioural problem and the young person got into his or her predicament by reason of environment, family problems or mental instability. There is a real, honest and definite philosophical cleavage between these two groups. I think it is of extreme importance that before a law which will affect the future of thousands of Canadians is enacted, much more study be carried out. I strongly feel that the bill should be sent to the Standing Committee on Justice and Legal Affairs or other appropriate committee and that briefs and witnesses from all parts of Canada, and all reputable and thoughtful organizations, should be made available to the committee. Furthermore, I would suggest that evidence of comparative laws of the United Kingdom, certain American states and Sweden be placed before the committee. After exhaustive hearings by this all-party committee—I emphasize the word all-party—I would hope that a non-partisan report would issue to assist the government in its selection of changes to the present bill.

I do not want to go into the specific provisions of the bill; we can do that at a later date. One point which

intrigues me concerns the name of the act. Should it be changed from Young Offenders Act to Young Persons Act? I think that question should be examined. I strongly suggest that for juvenile court judges there should be a specialized training program. These are not judges of a general nature; they require a specific knowledge. They should receive specialized training covering such matters as the principles of child psychology and personality development, the prevention and treatment of delinquent behaviour, juvenile court law and the rules of evidence. In other words, they should know something about this particular subject. Juvenile court judges should continue to be appointed by the provincial authorities but selected only from names recommended by an advisory group of representatives from such fields as education, law, medicine, religion and social work.

• (8:10 p.m.)

There has been criticism that the provinces will be saddled with additional costs if this bill is enacted. This is quite possible, but that is not the point. If the net result—and this is what we wish to attain—is prevention of juvenile delinquency and permanent rehabilitation of our young offenders, any additional funds spent by the provincial authorities will be well spent.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, Bill C-192 which we are debating replaces the Juvenile Delinquents Act with the Young Offenders Act. I say at the outset that I am not a lawyer and do not profess to be an expert on the legal interpretation of this bill. I leave that to members such as my colleague the hon. member for Broadview (Mr. Gilbert). I have a purely human interest in this bill and I am speaking tonight as what is commonly called "Joe citizen". I have an interest in what this bill will do to those young people affected by it. I have a human interest in the type of society we have produced and the type of society this bill will help evolve in the future.

The title of the bill, the Young Offenders Act, is both inappropriate and misleading. In the bill a child is defined as a person under the age of 17 years. The bill continually refers to a young person as being a child over the age of 10 years. Most of the provisions in the bill are applicable to children 10, 11 or 12 years of age. As many members have already pointed out, the title of the bill is misleading. Many hon. members, including the member for Broadview and the hon. member who just spoke, have suggested that the title should be changed to the Young Persons Act.

Many hon. members have received dozens of representations from ordinary citizens, various groups and people who have experience in criminal law. Most of these people are concerned that if this bill is passed it will be in essence a criminal code for children. The bill is very distasteful in its terminology. Throughout the bill there are references to offenders. The title of the bill, the Young Offenders Act, is very negative. It implies that someone is condemned before he is tried. It refers to inmates, training schools and uses language of that sort.

This is very distasteful in a bill that affects children of 10, 11, 12 or 13 years of age.

The bill is very legalistic in approach. It deals in cold legalisms. It lacks some of the human elements that are necessary when dealing with an area such as this. It deals with young people and the problems in which they become involved. It is more concerned about technicalities than with the social conditions that motivate or provoke young people to do those things which our society does not deem to be regular or law abiding. When dealing with children of this age, the courts should have the maximum amount of flexibility in order to help rehabilitate young people rather than just punish them. There is a wrong emphasis in the bill. As I already pointed out, the title condemns rather than doing something more positive. The bill is punitive in nature, and harsh. It segregates the child who breaks the law from the mainstream of society, limits the discretion of the judge and does not give him as much flexibility as is necessary in dealing with young people.

The bill lacks the human element of compassion and understanding. Many hon. members, including the minister, have been asked who participated in the drafting of this bill. Were the young people, organizations, groups and welfare workers consulted? It appears they were not. I think the Solicitor General (Mr. Goyer) will have to admit that the bureaucrats in his office drafted the bill. Perhaps this is why the bill is so cold and legalistic in approach and lacks the compassion and human understanding that is necessary.

This bill is reactionary in approach. Some hon. members have described it as a Spiro Agnew type of approach to law. We do not need a strong, iron hand, ultra-conservative type of approach in this country. The bill is reactionary instead of progressive. A punitive approach to the law is not the direction that society should be following. When I look at bills such as this I wonder where the great Liberalism is that was talked about a few years ago. Where was participatory democracy when this bill was drafted? Were the young people, social workers and those experienced in this field consulted? This is nothing but a reactionary piece of legislation. In my opinion it reinforces the type of society from which people are becoming more and more alienated, the type of society against which young people are rebelling.

With regard to the content of the bill, the government has displayed nothing more than a "swinging" image. Instead of reaching into the future with progressive legislation, this bill reaches back to the age of the dinosaur. It is all talk and no substance. For this reason I suggest that hon. members should vote on the bill according to their consciences. They should be free to vote in the way they feel, not as directed by the people who drafted the legislation.

The amendment before us is good. In essence it suggests that the bill should be withdrawn and a task force appointed to redraft new legislation. This is a good idea. In addition to consulting professional people and experts, the task force should consult lay persons, the people directly affected by legislation such as this. If we cannot convince the minister and the powers that be to with-

draw the bill and introduce a new one, we should move as many amendments as possible in order to put a more human element in the legislation. Young people between the ages of 10 and 14 should not be treated as criminals. This is one of the most undesirable parts of the legislation. If the bill is not withdrawn and a new one drafted, amendments should be made that will at least change this aspect of it. Amendments should be passed which will make the bill more flexible. Legal technicalities should not be emphasized when dealing with young people. If amendments to this effect were made, then at least the bill would be less offensive and more progressive than it is now in dealing with young people who for one reason or another do not fit into our society.

• (8:20 p.m.)

The most offensive thing about the bill is its general attitude, the thread which seems to run right through it. It is a reactionary measure instead of being a progressive, forward-looking document. The most ludicrous aspect is that it applies to 10 year olds. Under the equivalent act in Britain, no child under the age of 14 may be charged with an offence; but in Canada, under this legislation we are taking a directly opposite approach. Surely, a child of tender age has special psychological and physical needs. People change tremendously between the ages of 10 and 18. A child may have changed almost beyond recognition by the time he is 21 and is sentenced under this proposal. This fact has been pointed out by a number of organizations, among them the Canadian Mental Health Association which on December 7 sent a letter to all members of the Senate and of the House of Commons on this issue. I should like to read one section of this letter which I believe to be relevant.

> A Criminal Code based on the notion that specific offences merit a specified range of punitive procedures may be appropriate for adults but definitely not for children. A particular offence may be committed by two children of the same age. In one case the total social, emotional and intellectual needs of one child may require only a suspended sentence; while with the other child an indefinite and probably prolonged period of re-education, treatment and retraining may be required.
>
> Basically it is the position of this association that there should be a separation between the judicial process and the process of determining appropriate treatment, training, supervision and after-care. The former should be considered to be a matter of due process while the latter deals with decisions concerning the particular needs of the child with a special emphasis on his rehabilitation.

The Canadian Mental Health Association draws attention to an omission about which we should all be concerned. They say there is a lack of emphasis on the area of rehabilitation and human need. Priority should be placed on strengthening the bill in these areas, rather than on legalistic questions involving judicial processes. Emphasis must be placed on the growth and development of a healthy personality when dealing with a child or young person who is found to have committed an offence. Instead, this bill leads to the segregation of a child who has broken the law. It tends to deal with his behaviour instead of his total personality, his total background.

The federal government should be talking in terms of helping the provinces through the provision of finances, staff and so on to build rehabilitation centres where young people who have broken the laws of society can be helped and rehabilitated. The bill before us seems to show no concern about this aspect. The Solicitor General ought to be willing to look to the United Kingdom, Sweden, Holland and other European countries as examples, because a great deal of useful work has been done there in connection with the treatment of young offenders. Rather than thinking in terms of the punishment of a child who is involved under any of the provisions of this act, he should be trying to help him readjust to society.

We should educate these children. This does not mean requiring them to develop skills or academic proficiency, but educating them socially and culturally so that they feel they are part of the society which has rejected them. Something must be wrong if they have committed delinquent acts. We should always keep this in the back of our minds and try to help them as much as possible. If we do not, all we shall produce is a still greater degree of alienation on the part of young persons and increasing segregation within a society from which they have broken away.

It has often been said that jails and penal institutions are the greatest schools for crime, and I believe this is true. We must do our best to see that it is true no longer. We should not look at these individuals in terms of the offences they are said to have committed but in terms of their background and their need. Again I appeal to all hon. members, regardless of party, to consider seriously the need for making fundamental amendments to the bill before us. If the Solicitor General will agree to withdraw it, better still; many people both inside and outside the House would be happy. Let him support the amendment, withdraw the bill and start all over again.

Some hon. Members: Hear, hear!

Mr. Nystrom: But if this does not happen, certain fundamental changes will have to be made, changes which will put these proposals on a more human basis and place greater emphasis on rehabilitation instead of strict legalities and jurisdictional interpretations. The bill should be made more flexible. Judges and others concerned should be given more freedom to decide what is best to be done when young persons are involved in offences. This would be moving in the right direction. If we fail, we shall get ourselves into more trouble and more and more people, especially the young, will be angry at us for passing legislation which is reactionary, nineteenth century in its philosophy, reaching back into the past instead of looking forward to the future.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I should like to join those who have expressed concern about this bill, its lack of general application and the narrowness of its philosophy. I should like to relate my remarks to some of the principles and, specifically, to some of the recommendations contained in the Celdic report. This is a report on one million children in Canada. It was completed in 1970 and was sponsored by such associations as the Canadian Association for the Mentally Retarded, the Canadian Council on Children

and Youth, the Canadian Education Association, the Canadian Mental Health Association—which has been mentioned many times in the last day or so—the Canadian Rehabilitation Council and the Canadian Welfare Council, as well as other bodies interested in the disorders of children, some of which deficiencies lead to a confrontation between them and our courts and legal system.

• (8:30 p.m.)

The main difficulty from the standpoint of existing programs having to do with children is the very serious lack of co-ordination resulting in overlapping or major gaps in service. The Celdic committee summed it up in a way that I find very appealing, one that I hope will commend itself to the House. If I may quote directly from the report, the committee says:

> No one sees or is concerned with the whole child as he interacts with his environment. We diagnose and treat and sometimes label for life, on the basis of a small segment, the problem part of the total child.

Preferable to this chaotic state of affairs which was so well stated by the Celdic report would be the provision of a wide range of alternatives to the teacher, public health nurse, doctor, social worker, policeman, or parent who has become concerned with a child with emotional and learning disorders or other handicaps. So we are talking about children with emotional disorders.

It is interesting to note the extent to which the committee stressed certain points. For example, the committee stressed an approach toward the understanding and treatment of these disorders and handicaps which would keep the child as a whole within the view of the Canadian public and the view of those who must deal with him. The committee felt that a child with an emotional or learning disorder should be regarded as having a typically persistent imbalance in the interaction between the child and his environment and between his capacities and the demands, both internal and external, that are made upon him.

This can be evidenced in a number of complexly interrelated ways involving both physical and psychological factors. When someone close to the child becomes aware that he is having difficulties, he may be referred to a specialist of one type or another who tries to unravel and to describe the symptoms to those responsible for him, his parents, an institution or whatever it be. An attempt is then made to determine the cause and what the result may be if the behaviour persists. An attempt may then be made by the child, by the group around him and by the teacher, nurse, doctor, social worker or judge—and in the context of our discussion this evening, by the court—to work out a better resolution of his imbalance. This can be applied, I suggest, both biologically, in the sense of better nutrition for example or, more to the point, as an improved response to external environmental conditions which in many cases are in the background of those children who find themselves coming before our courts.

While every child may be regarded as a student and as a patient—which I suppose is desirable—it is not desirable that he become a ward, an offender, or require institutional or residential care. This attitude may unfortunately influence some neglect or reluctance in the provision of welfare or correctional services. Historically, it has been part of the philosophy of the work ethic that people be as self-supporting as possible. However, with the greatly expanded role of government today, a persistent distortion of this philosophy has resulted in a considerable imbalance in services provided by the state which most adversely affects poor people. Most often it is the poor who appear before the courts. Provincial child-care legislation, for example, is inordinately sensitive to budget cutbacks and other forms of political and institutional neglect. Very often, to return to the Celdic report, the committee found this lack of funds resulted in more serious undesirable behaviour by a disturbed child, eventually resulting in more drastic measures such as removal from the home. The committee states:

> For the low income family, the only choice is usually between the programs of child welfare agencies and those options open to the juvenile court, such as probation or training schools for delinquent children.

Or, of course, incarceration. The committee points out very strongly—I must agree with the committee here, and I think most Canadians who have evidenced concern for children will also agree—that most of the children who become involved with the law are not really representative of a complicated social problem. The committee points out:

> Society is threatened by the aggressive acting-out child and we are liable to respond promptly with measures designed to provide social controls. Yet it is the hostile, provoking child who is still striving for achievement who may respond rapidly to immediate and relevant help.

I think that is a very important point. The committee stressed the need to implement the recommendations for preventive services as welfare measures in order to divert a potentially delinquent child into the appropriate treatment procedure. It is also especially important, the committee feels, that provision be made for the many seriously disturbed children from whom at present there is a no place to go other than into the correctional system, into the courts. We must be concerned with the considerable lack of these services at the adolescent level, as well as the great difference between the way that the offences of boys, for example, are determined as compared with the way in which our courts and society treat offences of young girls. Again the Celdic committee points out:

> We believe that the process of labelling a juvenile as delinquent, and the associated names—incorrigible, truant, sexually immoral, vagrant—is insupportable because the effect is to increase the alienation of the child from society by defining him in a derogatory way and isolating him from his normal social environment.

I agree with that. The enlightened society of 1971 should have no need for courts that deal with young people. This is especially critical because the committee was under the impression that very often children were committed to training schools, not so much because they were offenders but because it was impractical to provide

for the child elsewhere, perhaps largely as a result of the paucity of community services.

We have also discovered in our studies the very considerable differences in the treatment of so-called delinquents between the various ethnic and religious groups, as well as on the basis of socio-economic considerations. The most likely result, in the view of the Celdic committee, would be to generate or accelerate the process of alienation from society and its prevailing values. As far as procedure is concerned, a way must be found for dealing with the child. I think that if we approach Bill C-192 with an open mind and with concern for the child, we will find that there is a very great difference in the way that children can be treated and must be treated by society, and particularly by police departments.

• (8:40 p.m.)

The minor may not give a guarantee himself, because of his age and status in life, in respect of appearance in court, pre-trial custody, and so on. There must be something that reinforces the impression that our youth have of our courts and institutional procedures. They must not be left with the impression that our courts and institutions are compulsive and arbitrary, which would seem to be the case today. In most cases, whenever the court uses a clinical examination it is usually very unsatisfactory because of the conditions of interview and testing, as well as the fact that many recommendations cannot be implemented in any case. There are few institutions outside the regular corrections system which accept delinquents into a treatment program. Quebec is an exception, and I believe Ontario is coming along in this regard. The rest of Canada, unfortunately, does not have the type of institutions that we require. I do not blame the correctional institutions for the steps they seem to be taking, because they have no other choice.

I think that usually when a child has his proceeding adjourned he is returned to his family. In the most serious cases he is sent to a training school. Many of these schools have little or no treatment facilities. Their staffs learn mostly on the job and their programs are minimal, although several in recent years have made considerable attempts at improvement. There is in Quebec a special training program for the re-education of delinquents. The over-all rate of progress in Canada is still very slow; in my opinion appallingly slow. The Celdic committee noted that some provinces now deal with delinquency as a welfare problem in order to qualify for assistance under the Canada Assistance Plan. The committee points out that this is useful only if there is real improvement in the services offered to children and adolescents. I doubt very much if this in fact is the case.

The committee emphasizes that there must be continuity in the treatment of the offender, in that there must be integration as between the training school and further treatment for the child so that effective, long-term relief of the cause of delinquency can be achieved. To this end I am firmly convinced that much greater training and continuous implementation of programs must be made available to courts and training school personnel as well as people who deal with the child before and after the disposition of the court.

Mr. Speaker, one of the most thorough studies undertaken in Canada with respect to children with disorders presented 144 recommendations for those who are interested in this problem. A number of these recommendations deal directly and indirectly with the courts and correctional procedures. I commend the recommendations to the minister and shall place them on the record in the few moments remaining to me. I do so because I support the amendment. I should like to see the bill viewed in a parallel way with the Celdic report and the conclusions of that learned group of gentlemen. These recommendations, beginning at recommendation 56, are as follows:

That a provincial cabinet minister be clearly responsible and accountable for the development and enforcement of standards for child protection programs and for the care provided for children who are wards.

That the civil rights of children and their families in child protection proceedings be adequately safeguarded through the provision of legal representation before the courts including the right of review and appeal of wardship decisions.

That provincial governments provide funding and set standards for the establishment in local communities of a range of placement choices including group homes to improve continuity of care to children growing up as wards.

That child welfare agencies develop procedures and maintain liaison with the staff of other community services and provide consultation to improve the identification and management of situations where there is danger of child neglect or abuse.

That the juvenile courts or tribunals for minors be restricted to the 14 to 18-year age group.

That children under the age of 14 be brought before the courts only under child protection legislation.

That only violations of the Criminal Code or provincial or municipal statutes be classed as delinquent behaviour requiring appearance in juvenile court.

That legal counsel be easily and freely available to the offender appearing before the juvenile court and to the parents accused of neglect of a child who is alleged to be in need of protection.

That statute laws governing juvenile courts be amended to include provisions for rights of appeal for written court proceedings and for written documented records of evidence and that abusive preventive detention and indiscriminate and indeterminate commitment to institutions be made impossible by safeguards embodied in the statute laws.

That professional schools training personnel for work with children and adolescents or for the administration of justice include juvenile delinquency in their curriculum.

That juvenile courts and training schools encourage the participation of individuals and community groups in the planning and operation of existing programs to increase the community understanding and support for the needs of the juvenile deliquent.

That the personnel working with the young offender have access to a variety of community education, health and welfare services.

That all juvenile courts use specialists in child and adolescent behaviour to assist in the diagnosis of the problems and needs of the young offender and to formulate rehabilitation programs.

That after-care services for delinquents be given budget priority to increase the number of staff involved in this function and to improve their training.

That admission to a special school, hospital unit or child-care institution take place only following the development by community services of a treatment plan based upon a medical and psychological examination and, as appropriate, an educational assessment.

It is because I am not convinced Bill C-192 has been framed against the background of recommendations such as these, which I wholeheartedly endorse, that I urge members of this House to support the amendment, not for the purpose of killing the bill but for the purpose of taking another look at it. The child is a full child and we must remember that. When we deal with a segment of his life that is deemed to be undesirable by the community, we must remember it is only a part of his life and, in some instances, a very few brief moments out of his entire life. I suggest to the minister that we as legislators have no right to colour that individual's entire life by our reaction to his activities covering just a few moments, no matter how grievous those activities may seem to us, because the child who is delinquent does have mental difficulty. He is in need of our help and is in need of rehabilitation. The last thing he is in need of is a criminal code under which young persons find themselves outside the law for activities of a few brief moments.

• (8:50 p.m.)

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I was discussing this bill a few days ago with a Saskatchewan cabinet minister and he indicated to me that the provincial government was quite concerned about the cost that would be put on the provinces in connection with the corrective services which would be expected of them under this bill. If the minister does not expect to provide some relief to the provinces in this connection, I think he should consider this matter because it is a legitimate worry to the provinces.

In my view this bill is too harsh and its punitive aspects are overemphasized as against the corrective aspects. I have had a number of representations lately concerning the question of abortion which concerns the public at present. I told these people that there is no bill on this matter before the House at the moment but that it was an important issue. One lady said to me that if parents would accept their responsibility and look after their children properly, they would not be such a problem. I must confess I agree with her. I think that many of the problems which we have with children stem from parents who have neglected their responsibilities. It is too bad that we cannot have a bill to punish parents who do not look after their children in the way they should. That is the way I feel about it.

I regret that the action we will take under this bill is directed at the wrong people. Not long ago I read a little item about hippie children. This article suggested that most of the hippie children came from homes where there is no effective father. When I hear some of the suggestions from the women's liberation movement, particularly from some individuals who act as if being a mother is a disgrace to the female sex, I get a little upset—anybody would get upset—and I think there is something wrong with such a father or mother. They should have pride in the fact that they have children, and they should try to raise them in society in the best way they can. Some are better at this than others. Some may not be as well qualified as others. But I really get upset at those who do not try.

[Mr. Forrestall.]

I think there should be a bill of rights for children, in the sense that they have a right to good parents. A few days ago when I was in Weyburn I was talking to a lady who takes an active part in the community in Girl Guides activities. I am not saying that Girl Guides is the only community activity in which people can engage to help children, but I suggest it is one of them for parents trying to do the best they can at home. Sometimes the best they can do when a child begins to move out of the home is to help in the community in which they live to ensure that the children take part in good, clean activities.

I was talking to a member of the press gallery who told me about taking his youngster to a ball game. That is probably the best time that this man could invest in his children. It cannot be measured in dollars and cents, but when he looks on his boy when he becomes a young man who is able to solve his problems he will be proud of having invested this time in the child. When I was at a hockey game in Lloydminister I saw there a mounted policeman who was acting as coach to the Lloydminister team. What better way is there to solve police problems with the young people in Lloydminister than for a policeman to be directly involved in an activity of this nature? If you are going to keep young folk out of trouble, that is the best way to do it and thus avoid spending so much time chasing after them. I commend this mountie and others like him who have done similar things.

Despite the best efforts of some parents, one might almost think that some children are born part bronco, as I heard one fellow describe it. They have a streak in them that has to be worked out. Some of them invariably get into trouble. I can think of many whom I have known in the past who have been this type of individual. With a little help from an understanding judge, an understanding policeman or what have you, they have been able to work out their problems and are now good citizens. This is the way it should be.

What makes some young people like this, I am not sure—I am not a psychiatrist or psychologist—but I am aware that many of them are now good citizens. Some times it seems to me that young people who are born with a great deal of energy and nerve are more apt to get into trouble because they have more energy to burn. Perhaps they need more guidance, and occasionally when they get into trouble they need more consideration because they have a special problem. You might ask, why are we concerned? The answer is that if we are not concerned and if we do not solve the problem of these teenagers, the problem will become greater when these young people become adults. I suggest that some of them only grow physically and not emotionally. The figures I have heard quoted in connection with teenage troublemakers who become adult troublemakers and law breakers show that 20 per cent began this way.

One thing that astounded me when I visited a penitentiary was the number of young men there. It disturbs me to see all the energy and hope in these young men locked away from society because they had a problem and obviously could not be let loose. When I talked to some of the officials in the penitentiary I discovered that most of the

young men there had a special problem. It might be alcohol, which in itself indicates a problem, or they could not hold a job, they could not get along with their families or friends, or they were separated from their wives. In effect, all these people had emotional problems. These are the kind of people who get into trouble, and these are the kind of young people with whom the act will be dealing.

I have a magistrate friend who has dealt with a great many young people, among others. He described to me some of the cases with which he has dealt. It would wring your heart if you heard about some of the problems these people have and the homes from which some of them come. The law is the only answer to their problem. I do not think that sometimes the law is good enough. These people require understanding and compassion. If we were to interpret this bill in a strictly legalistic sense, in another age the Solicitor General (Mr. Goyer) would be galloping on his horse through the pages of history, chasing a couple of teenagers, waving his broad axe and shouting "Off with their heads". I do not think the Solicitor General wants to use that type of approach to a problem like this. It seems to me that he is a man of compassion and understanding. If he is going to deal with problems of teenagers, he must be a man of understanding. My hope is that he will withdraw this bill or accept amendments that will give it greater compassion.

• (9:00 p.m.)

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I think it is good that this bill has been subjected to what I might call searing criticism and that the minister has seen fit to delay its consideration slightly, obviously as a result of acceptance of the validity of some of the comments that have been made. We have been interested recipients of comments about the bill by the Canadian Bar Association, the Canadian Mental Health Association, faculties of law, faculties of medicine and interested citizens. I have had an opportunity to look at the Canadian Bar Association brief and to examine a very thoughtful paper which I will share with the minister—perhaps he has already seen it—written by Professor John A. MacDonald of the faculty of law, University of British Columbia.

I wish to make a couple of points in this debate but first I would like to be assured that in committee the bill will receive flexibility of treatment by the government members of the committee, and that the minister and his department will be more receptive to amendments than other ministers have been with respect to other bills. If Parliament had the assurance that the minister genuinely believes there could be a useful amount of input, as the current cliché has it, from members of Parliament at committee stage, I think second reading stage of the bill would move at a faster pace.

There are fundamental problems related to the bill, to its concept, to its drafting and to its language. I think the House would expect that type of assurance from the Solicitor General (Mr. Goyer), and I hope I read his mind aright. He has indicated some flexibility by holding up the bill so that interested groups in Canada could comment upon it. But the committee stage is coming, and having been here for some years I am not too optimistic about the receptiveness of the minister and government members of the committee. I hope to be proved wrong and if so I will gladly stand in my place on third reading and say I was wrong.

At the second reading stage of bills all sorts of pleasant statements are made to the effect, "Oh, let the bill get to committee and everything will be all right." My experience is that everything is all wrong when bills go to committee. Government supporters seem to think that government legislation is literally drafted on stone and that it would be a defeat of some sort if a nuance or meaning were changed in any way. I plead with the minister to be flexible with respect to this important piece of legislation and to be ready to accept amendments.

The Canadian Bar Association, Mr. Speaker, has approved the bill in principle. I do not know whether I will be shot down for saying this, but that makes me very nervous. I have been a member of that association for 22 years, all my practising life, and I believe that this of all bills should not be hamstrung by legalistic drafting. Under the provisions of the 1929 bill which, if I am correct, was based on earlier legislation of 1908, juvenile court judges and others dealing with young offenders were enjoined to interpret the bill in a very liberal way. That was a very prominent section of the act, and I think that by and large over the years juvenile court judges, despite all the restrictions they were under—mainly restrictions of money and of support staff for their courts—did their best in the light of their time and day to interpret the statute liberally.

Unfortunately, in many instances and places in Canada there were very few resources and people upon whom juvenile court judges could call. I regret to say that this was the case in my own province when I was Attorney General of New Brunswick. I had to fight the municipal people in the constituency I represented because they did not want to establish a juvenile court district under the terms of the old legislation. But I may say that once they were persuaded, a marked improvement took place in the handling of offences in which young people were involved.

I apologize, Mr. Speaker, for the rambling way in which I am discussing some of the issues. I hope the minister will meet a problem that can become a serious one unless, so to speak, we get a national majority. I would think that 18 years would be an excellent age for the upper limit under the terms of the bill, because many of our provinces are reducing the civil age of majority to 18. There would be a nice meshing and melding, if that term is right, if we adopted that age in this instance, particulary when on one hand we are talking about the civil obligations of a citizen. I can foresee serious difficulties if one province fixes the age at 17 years and another at 18 years. I hope we can overcome that difficulty.

I regret, Mr. Speaker, that I was attending a committee hearing and did not hear the minister or any government spokesman refer to one important matter. It seems to me

there is a curious omission in the bill in that it has nothing whatsoever to do with bail. Presumably this is an oversight that will be rectified at committee stage. One point made in the Canadian Bar Association brief was that there should be a ban on juvenile proceedings' evidence to be used should there be other proceedings involved. The brief makes that point very clearly. There should also be a formula for periodic review of sentences and for periodic review regarding people in respect of whom an insanity finding is made.

I think that this is a very serious gap, if I may put it this way, in the senior law, the Criminal Code, under the provisions of which people are held at the pleasure of the Lieutenant Governor. I must say that at one stage I was in a position to see the operation of this curious provision for a couple of years but did not understand it any more at the end than at the beginning. This may disclose a serious gap in my mental capability. I accept that, but I defy anybody to give me a succinct version of the provisions concerning insane people and the pleasure of the Lieutenant Governor, and so on. Surely this matter could be tidied up in a new bill concerning children.

• (9:10 p.m.)

I know one should not use anecdotes in speeches in the House of Commons, but I once acted for an 11-year old boy who was in a county jail in New Brunswick. He was found there, after four or five days, by a visiting clergyman. Some aspects of this case are not relevant to the debate, but we discovered that the child's family had moved 15 times in his 11 years. It should go without saying that no statute dealing with children and offences committed by children can be a good one if it isolates a child from his parents, if he has them, from his environment and from all aspects of his life literally from birth. This aspect of the bill will interest me greatly as this debate develops and the matter comes before committee.

Another aspect that will interest me is the provision made by the government to ensure that people charged with the responsibility of adjudicating on cases dealt with under the Young Offenders Act will have adequate staff. I am thinking of the whole ambit of people available—experts in the fields of psychiatry, psychology, social work, and so on. If we mean business, if we are not just drafters of a piece of paper, the act has to be given flesh and blood through support staff of the juvenile courts. Unless the government of Canada has made provision for this and the ministers of justice of the provinces have thought it through, I do not think we have done a thorough job.

I should like to make a few comments about the present Juvenile Delinquents Act and its major shortcomings, and make some recommendations. The Juvenile Delinquents Act originated in 1929 and, if my memory is correct, the first act came into force in the early part of this century. It removed children from the jurisdiction of the criminal courts and the adult criminal law and placed them within the jurisdiction of specialized juvenile courts. It made provision for the private trial of juveniles, free of publicity and separate from adult trials. It provided a wide range of reformative sentencing and dispositions focused on the welfare of the individual offender.

Section 38 of the act provides:

> This act shall be liberally construed to the end that its purpose may be carried out, namely, that the care and custody and discipline of a juvenile delinquent shall approximate as nearly as may be that which should be given by its parents—

We have come a long way in the science of dealing with young people since 1929 and a good deal more information is available. The minister's major concern and the thread which should be running through this act and this debate is that the act should be based upon rehabilitation. If it is not, it will be a hollow debate and a very useless amendment to the law. Professor MacDonald reminds us of some of the shortcomings in the Juvenile Delinquents Act. It was still possible to prosecute children as young as seven years. People were concerned about the all-encompassing definition of "delinquency." One could be caught in that wide web if one were guilty of the most minor offence under a municipal bylaw. Closely related to this point was concern that the Juvenile Delinquents Act placed only minimal restriction on committal of children to training schools, thus opening the door to punitive sentencing practices.

I once appeared before a magistrate on behalf of a young person who had stolen a jacknife from the five and ten store. The youngster had been in jail for the night and finally his parents called for help. When I saw the magistrate he said, "I am not going to let the boy out because he has not cried yet." I asked him what section that came under, and of course he had no answer. This is only one of many examples of what has more eloquently been called "opening the door to punitive sentencing practices."

I have noted that many juvenile courts lack community resources. I have made this point earlier. Unless the resources of the community are part of the whole thrust, we are really not doing anything very useful. Another concern is that the original intention of the Juvenile Delinquents Act was to avoid stigmatizing young people as criminals. But the word "delinquency" in itself became a stigma. I am sure the minister recognizes these and other problems relating to the present act.

Mr. Speaker, I could make other comments but presumably there are other speakers. What I have said this evening has been of a very general nature, but I should like to repeat two or three points. First, I hope we can have an assurance from the minister that he will accept amendments and be receptive to them no matter from which party they should come. Second, I hope it is the minister's intention to provide sufficient qualified people. Third, I think it should be possible to fix a set age, perhaps 18 as has been adopted by many of the provinces.

One point which I am sure has been noted by many lawyers on the government side of the House is the provision for delay of sentence until the person charged is 21 years of age. Presumably if the act were changed an accused would be sentenced at 18. I cannot imagine where that concept came from. I hope we shall have an

explanation of it and, more importantly, that we shall have it quickly and that this provision will be removed as soon as possible.

• (9:20 p.m.)

The minister has heard in this debate that the Parliament of Canada is genuinely interested in reforming the law concerning children. I am one of those who share the general view that it is high time we were considering this topic. I am glad that a place has been found in the parliamentary timetable for us to deal with the bill. I conclude by saying that after the bill has gone to committee I hope it will be unrecognizable as a result of useful changes which will have been made by members of this House and many others who are interested in this reform.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, the members of our party have moved the amendment that the bill be not now read a second time but that it be referred back to a task force for further study. Since the bill first came before the House almost four months have passed. I think the fact that we have had such a vigorous response from various sections of the public is an indication that our wisest course at this juncture of our proceedings would be to support the amendment so that some of the obvious difficulties of the bill as it now reads may be eliminated.

It is not only members of the House who have carefully analyzed and diagnosed the chief defects of the bill. As has been indicated by many speakers during the course of the debate, we have heard from responsible groups such as the Canadian Mental Health Association, which because of its experience in the field of human behaviour is especially competent in these matters. We have heard also from lawyers, both as individuals and as an association. I am entering the debate, Mr. Speaker, because I have heard from a group which, I submit, should be listened to with particular care, the magistrates who will have responsibility for administering this new Young Offenders Act.

Some of these magistrates have had long experience in the area of juvenile offences. I am about to quote a comment by a juvenile court judge which I think ought to command considerable weight as we move to remove the obvious defects of the bill and bring about a situation, in terms of legislative reform, which I am sure the majority of members of this House most devoutly wish to achieve. Listen to these words, Mr. Speaker: "This whole proposed act is a ghastly piece of legislation, retrograde in its concept and will render unworkable my court as to handling of cases of young offenders". Those are strong words from someone who has considerable experience in these matters.

I have followed the subject of penal reform generally for many years both in the adult area and in the juvenile area. As a matter of fact, one of my first opportunities after graduating from college was working in the police courts and prisons in the city of Toronto and the city of Montreal. This was at a time when the attitude toward adult criminals and juvenile delinquents, to use a term used in the Juvenile Deliquents Act of 1929, was one of punishment rather than that of seeking remedial measures.

I think hon. members will be aware that concern over the primitive approach in penology in Canada became an issue around the mid-1930s. As a result, the government of Canada of the day instituted the Archambault commission which brought down a progressive report on the state of penology around 1938. The Archambault report because a sort of guideline for all those—and they appeared in increasing numbers—who began to express concern over the lack of reform in our penal system. Mr. Alex Edmison was one of the pioneers in the field. He still is one of the leading authorities. As hon. members know, he is head of the department of penology and criminology at Ottawa University today. In those earlier days he was working for the John Howard Society in Toronto.

Not until the early 1960s did real action begin to take shape in dealing with the long delayed reform in the treatment of offenders in Canada. If I may deal specifically with the special problem of juveniles, in 1961 the Committee on Justice and Legal Affairs was set up to make a thorough examination of the treatment of juvenile offenders, or juvenile delinquents as was the acceptable term then. That committee sat for about four years before reporting. It produced a progressive report based on the gradual accumulation of knowledge on the subject that had emerged during the 1940s, the 1950s and the 1960s. Outstanding leadership was provided by the minister of justice of the day, Hon. Davie Fulton, in getting these initiatives under way.

It must be remembered, Mr. Speaker, that there have been revolutionary developments in the social sciences during this period. The social sciences, be they psychology or sociology or any of their respective branches, had moved forward at a rapid rate, particularly in the thirties, forties and the sixties. As a result of breakthroughs in the social sciences there was a whole new body of knowledge, an entirely new approach to the problem of treating juvenile offenders.

• (9:30 p.m.)

It was encouraging to one who had a long and continuing interest in these matters to find that the spirit of reform had been captured by the justice committee that was called into being to deal with this matter. There was also a hopeful and progressive note in the discussions that followed the tabling of the report in 1965. It appeared that the legislation that would inevitably be brought in would overcome the deficiencies of the then Juvenile Delinquents Act which had become increasingly glaring since it was first enacted in 1929. I think all members of Parliament optimistically looked forward to a real breakthrough.

During this debate hon. members have referred to the deficiencies of the Juvenile Delinquents Act of 1929. For the purpose of my argument I will review some of the major points. I freely admit, and I think others with some knowledge in the field will agree, that the act of 1929 was a breakthrough, at least from the standpoint of

knowledge that was then available on the subject. For the first time it made a distinct point of separating adult offenders from youthful offenders. It removed the juvenile delinquent from the Criminal Code. It established special court procedures more suitable to meeting special problems of the youth of Canada who found themselves in difficulty with the law. There were deficiencies that became increasingly obvious as time went by. The main deficiency was the fact that the Juvenile Delinquents Act extended down to the tender age of seven. Some of the treatment that was meted out in the juvenile courts to children of that tender age was hardly in line with the knowledge we have with respect to child psychology.

I do not know why the age of seven was established in the original act. There is an old saying that as the limb in bent, so is the tree inclined. Perhaps that was the basis for it. There is another saying, give me a child until he is seven years of age and I will establish the pattern of personality for the rest of his days. These tales purported to be an understanding of child psychology at that time. It became obvious that this was hardly adequate to meet with the current situation. We became aware that the term "delinquency" was too embracing. There had to be more flexibility in dealing with the various behaviour categories and misdemeanours of young people. One of the greatest weaknesses was the emphasis on reform schools or, as they are called in the act, training schools. Herein lies the chief weakness of our whole system of penal reform in Canada.

This is still shockingly true with regard to the adult level. Our present institutions, jails, penal institutions or whatever you wish to call them are more attuned to the practice of penology that existed in the nineteenth century than the requirements of the twentieth century. I am sure hon. members will agree that our present jails might better be described as black holes of Calcutta or institutions very much like the black hole of Calcutta. I know this applies in my own city of Brandon. They are not meeting the demands for reform and opportunities to acquire skills and education that will make it possible for adult offenders to return to the community as useful citizens. In the final analysis, this is the purpose of incarceration in penal institutions. Everyone agrees that something should be done but we do not have the facilities available in the form of buildings and trained staff.

Those who have the responsibility of being jailers, as they are still called, do their best under the circumstances, but we are still far from achieving the ideal situation where the people in charge of our penal institutions have thorough and adequate preparation in the social sciences to place them in the position of being able to adequately deal with the problem. This situation exists in the adult penal institution and it also exists in our training or reform schools. We are aware that throughout this country there are reform and training schools that were resorted to with far too much frequency under the Juvenile Delinquents Act. They are quite inadequate to deal with the more flexible approach to the treatment of young offenders that is required if we are to implement the spirit of penal reform as it was presented in the report of the justice committee, and as it has been emphasized by an increasing number of citizens across this country.

I wish to deal with another point with respect to the changed circumstances. I think hon. members will agree that our juvenile court judges have a much more sympathetic approach to the remedial and therapeutic aspect of dealing with offenders than was the case hitherto. The fact that I have received strong protestations from juvenile court judges with respect to certain clauses in the bill is an indication that our judges are now trained and skilled in the social sciences. They demand an act that will be in the spirit of modern penology rather than, as was expressed in the very strong statement of the Canadian Mental Health Association, in the form of a criminal law for children.

• (9:40 p.m.)

I believe the minister is now aware—he has certainly been made aware of it since this bill was first presented to the House—that the measure as it stands fails to introduce the reforms we hoped would be realized. A statement which has come from a juvenile court judge supports the view which has been put forward by members of the opposition. He said: "This bill must be drastically amended or defeated." I am sure hon. members favour the more positive of these actions. We would like to see the bill amended in such a way that it would do what has been desired for so long, that is, accomplish reform and overcome the deficiencies of the present act. This can only come about if substantial amendments are brought before the House and approved.

If the House supports the motion that the bill be not now read a second time but that it be referred back to the committee for the necessary amendments to be made, our difficulty will be overcome. I am sure that members from all sides of the House, working together, will be able to bring about the changes necessary to deal with some of the more obvious weaknesses of the legislation.

The minister himself, when he introduced the bill, told us it was not perfect. That was an understatement. Responsible people all across Canada have pointed out that it is not only imperfect but that it is unsatisfactory, that in fact it moves away from reform rather than in the direction desired. To support this argument I would outline some of the major defects in the bill before us. In the first place, the very recommendations of the committee set up in 1961 by the then Minister of Justice Hon. Davie Fulton, are denied by some of the major provisions in this bill. It fails to remove completely the possibility of using convictions against juveniles for future reference. This is a fundamental weakness, particularly when one realizes that a child 10 years of age is placed in exactly the same category as a juvenile of 17 years.

It is obvious there should be more flexibility in dealing with offences by a child of the tender age of 10 who, under the terms of this bill can be treated in the same way as a juvenile between the ages of 14 and 17. This is another obvious weakness of the legislation. The bill is too rigid, and this opinion has been expressed by magistrates who have the responsibility of administering the law. Moreover, the bill relies too extensively upon the

philosophy of referring offenders to retraining schools for reform so that they may be brought back into the mainstream of community life. It is hardly necessary to repeat the argument that there are not adequate facilities in Canada to enable this to be done effectively. In any case, the whole idea of separation from family and community goes contrary to the emphasis which has been placed recently on probation and suspended sentences when dealing with young offenders.

It is just a year ago that the former Solicitor General led a group of members to my city of Brandon to inaugurate a significant extension of the parole service in western Manitoba. I can still hear the ringing words of the speech he made at that time. This was to be the new approach to dealing with young offenders—not to incarcerate them in jails and training schools but to provide for their rehabilitation within the bosom of their homes and communities. Yet for some unexpected reason Bill C-192 harks right back to the form of treatment which was criticized in the old Juvenile Delinquents Act.

Perhaps the greatest weakness of the bill is that it still places its greatest emphasis on punishment rather than on reform. Under one of its clauses it would be possible to incarcerate a child of 10 years of age, if he were found guilty of a serious offence, until he was 21 and then bring him before a court of law to be dealt with under the provisions of the Criminal Code. Obviously, this is a reversion to nineteenth century penology. Anyone who has worked in this field knows that training schools, reform schools, jails, penitentiaries, are training schools for crime. Time and time again those who are exposed to the atmosphere of such institutions become recidivists for life.

These are some of the major criticisms to be directed against the bill before us. For these reasons, and others, it should be referred back to the committee in order that we may bring in amendments which would restore the spirit of reform inherent in the recommendations of the justice committee. If the House would vote accordingly, we should be able to work together in the interest of a more positive and humane penal system.

Mr. McCleave: On a point of order, Mr. Speaker, I think there is general agreement among all parties that the speech we have just heard will close the debate on the amendment of my hon. friend from Calgary North (Mr. Woolliams) and that the vote will take place immediately after the question period tomorrow.

• (9:50 p.m.)

Mr. MacEachen: Yes, Mr. Speaker, it would be agreeable to defer the division until tomorrow when orders are called.

Mr. Knowles (Winnipeg North Centre): It is understood, however, that the question will now be put and a determination made as to whether we should like a vote so that this will not have to be done tomorrow. After that has been decided, Mr. Speaker, I have a question to raise about what we do during the remaining minutes before ten o'clock.

Mr. Deputy Speaker: The Chair understands that the question will be put now and that if the House determines that there shall be a division, the division will be the first item under Orders of the Day tomorrow when those orders are called. Is the House ready for the question?

Some hon. Members: Question.

Mr. Deputy Speaker: The question is on the amendment to the main motion. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

And more than five members having risen:

Mr. Deputy Speaker: In accordance with the special order made a moment or two ago, the recorded division will be taken as the first item of business when Orders of the Day are called tomorrow.

* * *

YUKON MINERALS ACT

ADMINISTRATION, ACQUISITION AND RECORDING OF CLAIMS, ETC.

On the order: Government orders:

March 5, 1971—Resuming debate on the motion of the Minister of Indian Affairs and Northern Development that Bill C-187, an act respecting minerals in the Yukon Territory, be now read a second time and referred to the Standing Committee on Indian Affairs and Northern Development:

And on the proposed amendment thereto of Mr. Nielsen, seconded by Mr. Aiken—That all the words after "That" be struck out and the following substituted therefor:

"this bill be not now read a second time, but that it be read a second time this day six months hence."

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. Earlier this evening the Government House Leader did indicate to me that if the previous debate ended we would move to this item. What we did not discuss was the time of night at which this might happen. It is now five minutes to ten. If one goes back to *Hansard* for March 5 when the debate was last before the House, one finds that the hon. member for Kootenay West (Mr. Harding) had the floor. He had spoken for 30 minutes and his speech was interrupted by the clock. If we call the debate now, the hon. member gets only five minutes and another five minutes tomorrow. Therefore, I wonder whether we should not now call it ten o'clock.

Mr. Deputy Speaker: Is it agreed to call it ten o'clock?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

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

[*Translation*]

FINANCE—ABOLITION OF SALES TAX ON SALE OF CONSTRUCTION MATERIALS

Mr. Henry Latulippe (Compton): Mr. Speaker, this afternoon, during the oral question period, I asked the Prime Minister (Mr. Trudeau) if the government was considering rescinding the sales tax on building materials, as requested by the Canadian Construction Association.

According to the spokesmen of this Association, this tax is unfair and, in their opinion, the same arguments are valid today. Indeed, not only does it add to the cost of badly needed construction, but it also depresses a vital industry.

Mr. Speaker, this tax was imposed in 1965 or 1966, I think, and has been in force ever since. According to the then Minister of Finance, the tax was necessary to fight inflation. To this end, we had to slow down housing starts and then impose a tax of 11 per cent on building materials. This tax therefore contributed to increase construction costs and in general the cost of living. In increasing the cost of living, housing costs went up to the extent that Canadians were barely able to find accommodation.

In reason of this hike in prices and the interest rate of the CMHC, the government of that day, like this government, voted huge amounts to boost housing starts, but through building sky high barriers. Ridiculous interest rates of 10 to 12 per cent were established by the Central Mortgage and Housing Corporation and by banks or other financial institutions which lend money for residential construction.

Such high interest rates, added to the increase in the cost of building materials and services, have forced municipalities to increase taxes for those who would have been able to build houses for themselves.

The government, however, has stated on many occasions that agencies had to be created to help low income people to become home-owners. But the only thing that has been done to this end was to extend the repayment period to 50 years, from 25 years as it was previously. Thus homeowners are paying five or six times the price of their houses.

The only concern of this present administration is to make the rich richer and the poor poorer. In doing this, Mr. Speaker, we help the large financing institutions become still more powerful and the big financiers fleece the poor. Indeed, it has become just about impossible to build a house today without assuming a 40 to 50-year indebtedness and paying five or six times its price.

Any man is entitled to own his home, his furnishings, his personal belongings, his car, the tools of his trade and also the required consumer goods.

Personal ownership of such property allows man to plunge his roots into some piece of land and there to organize his own universe and that of his family. That ownership is his form of communion with the physical universe.

Mr. Speaker, if life is a journey, man must be able to put into port as often as his activity permits. That port must be his own and must not belong to someone else. There he rests, there he renews his physical and moral strength and prepares for the next day's progress.

He can carry out his responsibilities only by taking root in a soil which is his and of which he can dispose as he sees fit. If property in itself is a good thing, if the need to own something is a human one and if, moreover, ownership is a guarantee of freedom and independence, property should not be taken from those who own it, and transferred to a state which will make improper use of it.

Mr. Speaker, personal interest is and remains the most powerful driving force of human activity. From the very moment when it is reserved to a small number, when a vast majority of citizens are condemned to work without interest, the government is negating its principles, is consecrating a society of masters and slaves and not a society of human beings.

Therefore, Mr. Speaker—

• (10:00 p.m.)

[*English*]

Mr. Deputy Speaker: Order, please.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, in posing his question to the Prime Minister (Mr. Trudeau) during the oral question period today, regarding the sales tax on building materials, the hon. member for Compton (Mr. Latulippe) reiterated a representation which has been made on numerous occasions, both within and without the House, by many hon. members and by persons, firms and corporations engaged in the construction industry, not the least of which has been that very effective body, the Canadian Construction Association.

I should like to point out that, strictly speaking, allusions to the 11 per cent sales tax on building materials are misleading. There is not a particular tax on building materials; rather, there is a general sales tax in Canada on manufactured and processed goods. What is really being suggested is that building materials be exempted from that general sales tax. From the revenue standpoint, the sales tax applicable to building materials means $300 million to $350 million annually. Possible options to make up this amount would be a 1½ per cent increase in the sales tax on other goods or a 6½ per cent increase in personal income tax.

Many who have commented on this subject have limited themselves to the tax on building materials for residential construction. That exemption would result in a revenue reduction of $130 million to $150 million. Since the tax does not apply to such residential construction costs as land, labour, overhead and profit, its actual impact on housing costs is in the 4 per cent to 5 per cent range. I can assure the hon. member and others that their representations have been heard. However, any change in taxation must, in the practice of this Parliament, be disclosed in a budget bill or in a budget speech and cannot be indicated in response to a question even by one sufficiently interested to wait until this late hour.

CANADIAN NATIONAL RAILWAYS—REDUCTION OF PASSENGER SERVICE IN NORTHERN ONTARIO—SUGGESTED HOLDING OF PUBLIC HEARINGS BY TRANSPORT COMMITTEE

Mr. Doug Rowland (Selkirk): Mr. Speaker, on February 12, as recorded at page 3329 of *Hansard*, I asked the Minister of Transport (Mr. Jamieson) whether it was his intention to make representations to Canadian National Railways in order to have them change their decision to cancel the service provided by trains Nos. 7 and 8. The minister's reply—which I must say in all fairness was uncharacteristic—was a non-reply. I am not prepared to let the issue die in that fashion.

The cancellation of trains 7 and 8 by the CNR demonstrates that the publicly-owned company, without having made a policy statement to the same effect, intends to follow the same path as the CPR. That policy is to abandon on a piecemeal basis every unprofitable service without regard to the public interest. Moreover, it is apparent under the present regulations governing rail line and service abandonment that no one can win an argument with the railroads in respect of the profitability or lack of profitability of a service, because the railroads are permitted to isolate that service for consideration whereas the only real way one can calculate profitability is in relation to the entire system, the entire network.

The obvious next step in this process of abandonment of passenger service by the CNR is the downgrading of trains 1 and 2, making them make more stops in order to service communities which would otherwise be cut off due to the abandonment of trains 7 and 8, thereby increasing the running time of trains 1 and 2, thereby making the service less attractive for long distance passengers, thereby decreasing the number of passengers, thereby decreasing the profitability of the service and thereby making an application for its abandonment inevitable.

The minister's silence on this question is, I believe, eloquent, especially in light of the fact that he is not often so, as I mentioned earlier. His silence signifies his willingness to acquiesce in the decision of the CNR to abandon its service, his willingness to see rail passenger service in Canada become a thing of the past. If this is not the case, I wish he or his representative would tell us so in plain language, and at the same time tell us what specific actions the department intends to take in order to stop the process.

At this point in any argument it is customary for a minister to retire behind the screen of the independence of the CNR and the CTC. This stand is completely unacceptable to me and it is entirely indefensible. If the government is not satisfied with the actions of a board or a Crown corporation, it has the power to replace the people running it. Therefore, inaction by the government in the final analysis indicates acceptance. Moreover, such boards, commissions and corporations, their methods of operation, their terms of reference are established by acts of Parliament and can be changed by similar acts if they are found to be unacceptable. I am not saying that doing this would be easy; I am saying it is possible if the government is really in disagreement with the policies.

Finally, I find the whole process of placing the power to make decisions—and it is being done increasingly—in key areas of public policy into the hands of quasi-independent boards and commissions highly distasteful. The fact that this government and others have pursued such a process is one of the major reasons why the institution of Parliament has fallen into public disrepute. The proliferation of boards and commissions is one of the reasons why this House so infrequently deals with questions of moment, questions directly relating to the concern of the people. All such questions have been placed in the hands of boards and commissions by politicians afraid to exercise the powers and to assume the responsibilities they have been elected to exercise and to assume.

The boards and commissions, as the current mess in transportation serves well to indicate, add nothing to our governmental process. Indeed, they detract by making our elected institutions less relevant, our elected officials less responsive and our public policies less coherent. Indeed, public policies are no longer worthy of the name; they are rather a pot-pourri of ad hockery. Nowhere is this more true than in the realm of public transportation. Nowhere is the situation in more urgent need of remedy.

I call upon the government to meet its responsibilities squarely, to stop hiding behind the CTC and the CNR and to give this country the national transportation policy for which it is crying. So doing will involve making, from time to time, unpopular and difficult decisions—but that is what we were elected to do. We certainly were not elected to appoint people to make those decisions for us. We were not elected to remove important decisions from the political arena, but to make those decisions ourselves as best we can and then to stand before the electorate and be judged.

It is within that context that I again ask through you, Mr. Speaker, the minister or the person designated to respond for him what he intends to do about the cancellation of trains 7 and 8 and the policy of the railroads to abandon passenger service. Does he intend to protest, to use his authority, or does he agree? If he agrees with such a policy, why? Those are the questions we all want answered. At least we want to be told that the government will no longer permit the railroads to continue their policy of retrenchment. At least tell us that the government is insisting that the railroads engage in research, in co-operation with the government, into ways of improving public transportation in an effort to combat the congestion and the pollution which has resulted from overdependence upon the automobile. I hope that in the reply to be given there will be an answer to some of my questions.

• (10:10 p.m.)

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I am pleased to respond to the question raised by the hon. member for Selkirk (Mr. Rowland). The manner in which subsidies are considered for rail service in various parts of the country is of concern to a goodly number of hon. members. The hon. member raised his question initially on February 12. It

was at a time when considerable interest was being voiced by northern Ontario members concerning the operation of CN trains 7 and 8. In fact, I recall very well appearing on the "late show" on January 18, 1971, to respond to the very forceful and sincere appeal made by the hon. member for Thunder Bay (Mr. Penner).

There was expressed that evening a very real sense of frustration, which I tried with all seriousness to allay. While not everyone was satisfied with the outcome of that adjournment proceeding, it did give the hon. member a chance to express his views and an excellent opportunity to myself to emphasize and clarify the guidelines to which the Canadian Transport Commission must adhere under the Railway Act. Subsequent to these representations the Canadian Transport Commission directed the CNR to set up a new rail-liner passenger service in northern Ontario and I understand that this new service has received fairly favourable response from the people living between Capreol and Nakina.

Mr. Speaker, the hon. member for Selkirk on February 12 asked the Minister of Transport (Mr. Jamieson) if he would make direct representation to the CNR in an effort to persuade it to reverse that decision. The decision in question was one that the Canadian Transport Commission had made, and it was required to do so under the act. If the hon. member has received any complaints, I can assure him that the CTC stands ready to consider any instance where people have not been accommodated on CN trains Nos. 1 and 2 since the retirement on February 1 of trains 7 and 8.

Also, the hon. member may wish to take advantage later this month of the presence of CNR officials before the Standing Committee on Transport and Communications. The president of the Canadian Transport Commission has already given evidence on its operations to that committee, and I do not know why the hon. member did not appear to make his comments there. The hon. member has raised some further points in his presentation this evening which I will be only too pleased to refer to the Minister of Transport for consideration.

CANADIAN BROADCASTING CORPORATION—MID-CANADA PROGRAM ON "WEEKEND"—ACTION TO RECTIFY ALLEGED DISHONEST PRESENTATION

Mr. Jean-R. Roy (Timmins): Mr. Speaker, on Sunday, March 14, the CBC "Weekend" television show aired a program called "Mid-Canada Documentary." Such a public affairs program could be expected to be objective, factual and reflecting a true situation. But oh no, not with the CBC! It was another of those periodic attempts by the "Weekend" producers to increase viewer ratings by creating impact.

The distortion, the negative approach, the dishonesty of the presentation, the imbalance of reason and judgment were just unbelievable—interviews with half-sloshed participants, with a welfare case who would rather receive welfare than go on a course at $110 a week, researchers who spent a large portion of their time in local bars, researchers who were looking specifically for poor people and finding some as they would anywhere, looking specifically for drunks and finding some as they would anywhere, for old houses—not the new ones, which they avoided—for failing businesses, not finding any and forgetting the prosperous ones. These were the ingredients that went into the program.

Was the researcher paid for his barroom time? Was he indeed paid overtime? I am told that many knowledgeable and interested citizens were interviewed and completely discarded as being too positive. What about the newspaper editor? What about the trust company officer? What about the Chamber of Commerce manager? What about the businessmen? They were all interviewed, but not two seconds of those interviews were shown on the program. Is it recognized as bad policy for the CBC to get an objective picture in these circumstances? Is this typical CBC policy? And what is the motive and the purpose of these distortions? Why was the local CBC affiliate not interviewed? Why not the local politicians? Why not the local member of Parliament? Do we know too many facts, and are we too objective to fit into the CBC plans for controversy, or the plans of their young researcher who arrived in Canada just a short time but full of wisdom about northern Ontario and, of course, with a large capacity for booze consumption.

Mr. Speaker, the people who live in our area do so, not because they were unfortunate enough to be born there, as was stupidly indicated, but by free choice. We want the quality of life that is ours, the bounties of nature that are there, the ease of family life which we enjoy, the human values which have been destroyed in the large cities but strongly persist in our areas, in addition to the less important adequate physical facilities that are available.

I immediately sent a telegram to Mr. Pierre Juneau, chairman of the CRTC, as I am sure did many other viewers. It read as follows:

> Weekend program Mid-Canada terrible distortion of actual situation Timmins Kapuskasing. Please prevent showing on Radio Canada Tuesday and investigate motives, methods and sources of information.

The answer I received was as follows:

> Thank you for your telegram re Mid-Canada program. The commission is most concerned by suggestion that it should intervene to censor a public affairs program. The commission is of the view that blocking presentation of individual programs by the CRTC represents very extreme measure. The normal procedure of the CRTC in case of bona fide specific complaints re possible unfair and dishonest biases in broadcasting programs is to request the tapes and after judicial consideration take necessary steps to maintain principles of the Broadcasting Act re balanced opportunity for expression of differing views. Recommend you contact the station concerned to express your views and if program in fact in your view is biased, you may wish to consider requesting from the station an opportunity to express your views in reply.
>
> Pierre Juneau, chairman, Canadian Radio Television Commission.

Mr. Speaker, the program in question was an absurd distortion of the situation and needs very extreme measures to rectify the wrong that has been done. I would strongly suggest and urge that the CRTC review the tapes and ascertain the facts and that after their judicial consideration they take the necessary steps to maintain

the principles of the Broadcasting Act. The local TV station would gladly express the views of myself or others regarding the facts, but there is no need; the people in our area know what the facts are and are aware of the distortions. The viewers outside our area, in the rest of Canada, are the ones who must be given the facts. We therefore request with all sincerity that the CBC network allow a group of our responsible citizens to be participants on a network program that would clearly establish the true facts, the proper perspective and rectify the damage as much as can now be done.

A very grave injustice has been perpetrated, Mr. Speaker, and with all the citizens in our area I have every reason to expect that both the CRTC and the CBC will see to it that it is corrected at the earliest opportunity. I have already received numerous very bitter representations regarding this incident. They are available for all interested parties to see. I am hopeful that justice will be done.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, the hon. member for Timmins (Mr. Roy) has already read into the record his telegram to the chairman of the CRTC and the reply dated March 16, so I shall not elaborate on that. I think it in large measure reflects the response of the CRTC. I may add that the CRTC has not yet had an opportunity to evaluate the particular program, but the tape is being requested. I should also like to report to the House and the hon. member that CBC officials have advised me as follows:

> The corporation appreciates the fact that all who watch its programs such as the Mid-Canada documentary presented on CBC "Weekend", Sunday, March 14, will not agree with everything that is said. However, the CBC is satisfied that this presentation was made honestly and was neither distorted nor derogatory. The program was carefully planned and took nearly two years to research and indeed it dealt in a very sympathetic way with the problems of mid-Canada.
>
> It might be useful to repeat the closing statement of the program which was as follows: "Helping the people of mid-Canada means helping local businessmen get the money they need to take advantage of the opportunities they perceived. It means helping Indians and whites get the education they need to take over the good jobs that do exist in mid-Canada."

• (10:20 p.m.)

Beyond that, Mr. Speaker, may I remind the hon. member that a number of the questions he raised in the course of his remarks can be, and no doubt will be, put to the CBC when they appear before the Standing Committee on Broadcasting, Films and Assistance to the Arts.

Mr. Roy (Timmins): It will be too late.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Wednesday, March 24, 1971

The House met at 2 p.m.

PRIVILEGE

MR. HORNER—REGULARITY OF ALL-NIGHT SITTING BY COMMITTEE ON AGRICULTURE

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to rise at this time and raise a question of privilege affecting all members of the House. Last evening, unknown to other members of the Standing Committee on Agriculture, when the meeting was called at 8 p.m. there was a firm intention by the government members on that committee to sit until the committee was exhausted.

Some hon. Members: Hear, hear!

Some hon. Members: Shame!

Mr. Horner: I should like to move, seconded by the hon. member for Mackenzie (Mr. Korchinski):

That the question of the validity and regularity of the sittings of the Standing Committee on Agriculture, which began at 8 p.m. in the afternoon of Tuesday, the 23rd of March, 1971, and continued thereafter until 7.30 a.m. o'clock in the forenoon—

Some hon. Members: Hear, hear!

Some hon. Members: Shame!

An hon. Member: It was an idiotic thing to do.

Mr. Horner:

—of the 24th day of March, 1971, and of the proceedings at such sittings be referred to the Standing Committee on Privileges and Elections.

I might explain that there was no prior consultation with the other parties.

Whether you like it or not, Mr. Speaker, you are directly affected because Standing Order 88 reads:

The hours of attendance of the respective officers of this House, and the extra clerks employed during the session, shall be fixed from time to time by Mr. Speaker.

Prior to eight o'clock the clerks employed in the Standing Committee on Agriculture were all notified that there was going to be an all-night sitting. Having been duly notified, they arranged among themselves to work in two shifts, some to work up to midnight and some to carry on until the committee adjourned.

With regard to when a committee shall adjourn, Beauchesne's Fourth Edition, citation 303, section 3, reads:

• (2:10 p.m.)

Committees should be regularly adjourned from day to day—

The Standing Committee on Agriculture has not been regularly adjourned for a long time. The citation continues:

—though the Chairman is frequently allowed to arrange the day and hour of sitting, but this can be done only with the general consent of the committee.

There was no general consent. I wish to draw particular attention to the words, "the Chairman is frequently allowed to arrange". To me they suggest that there should be prior arrangement or prior consultation. That is the whole purpose of steering committees, they are set up to advise on the arranging of committee sittings and what witnesses ought to appear. No steering committee arranged the all-night sitting of the agricultural committee. It was done by a secret method.

Mr. Greene: The hon. member can't stand the heat.

Some hon. Members: The same old bunch.

Mr. Horner: May I refer to Standing Order 65(10), found at page 72 of the Standing Orders, which clearly states:

In a standing or special committee, the Standing Orders of the House shall be observed so far as may be applicable, except the Standing Orders as to the seconding of motions, limiting the number of times of speaking and the length of speeches.

In that connection may I also quickly refer to Standing Order 2 which relates to hours of sittings of the House. I do not think that the question of the hours that a committee can sit and when it shall adjourn is specifically spelled out, either in Beauchesne or in the Standing Orders. But surely, Mr. Speaker, in employing staff and in guarding the privileges of each and all members of the House, one of the basic principles and duties under our parliamentary system is to protect the rights of minorities.

Some hon. Members: Hear, hear!

Mr. Horner: Under our parliamentary system we must protect minority rights so that minorities may be heard and listened to in a frame of mind that is conducive to good legislation.

I contend that last evening a number of major amendments were suggested and moved in the committee and that on two particular occasions the Chairman ruled out amendments without even hearing argument as to why they should be accepted as being in order. He automatically ruled them out of order.

Some hon. Members: Shame!

Mr. Horner: He ruled rather authoritatively and in a manner unbecoming of a chairman who is, in essence, a replica of the Speaker of the House.

An hon. Member: Impeach him.

Mr. Horner: I contend that the words, "general consent" in citation 303 (3) of Beauchesne's Fourth Edition means, in essence, unanimous consent, and that the words, "the Chairman is frequently allowed to arrange the day and hour of sitting", means that the day and hours of sitting should be prearranged by a steering committee. In the present case this was not done and was not even attempted to be done.

May I refer to one other section of the Standing Orders which provides that it is the duty of the Speaker of the House and the chairman of a committee at all times to keep proper decorum within the House and within the committee.

Some hon. Members: Oh, oh!

Mr. Horner: Early this morning, unknown to me or to other members of the committee, food was sent in and at four o'clock food was consumed while the committee proceedings were going on.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Horner: Mr. Speaker, this may be all right for the type of sitting that went on last night but I am sure it has never been allowed in the House and I do not believe it should be allowed in committees.

Some hon. Members: Hear, hear!

Mr. Horner: I suggest that the whole question of the adjournment of committee sittings and the disgraceful and unprecedented proceedings that took place last night should be referred to the Standing Committee on Privileges and Elections for examination.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The hon. member gave the Chair notice of his intention to raise a question of privilege. The House has heard the hon. member for Crowfoot and the Chair has listened attentively to the submissions he has made.

As hon. members know, it has not been the practice to allow a general debate on the matter until such time as a ruling has been made on whether there is a prima facie case. The exception, of course, is when an hon. member is personally involved and his conduct is questioned by a proposed motion submitted to the House by an hon. member who raises a question of privilege.

I have some doubts whether the Minister of Agriculture is in any way involved in this matter. It is my understanding that he is not a member of that committee. At the same time, the Chair is not aware who sits on committees from day to day because there are frequent changes. I am simply assuming that the minister is not a member. Perhaps the minister might speak briefly and indicate how he is involved in the question of privilege, because there really should not be a debate until the matter has been intensively and seriously considered by the Chair.

Mr. Horner: Mr. Speaker, I wonder if I might apologize for one comment I made.

An hon. Member: You didn't say anything at all.

Mr. Horner: I will be very brief. I referred to the chairman of the committee. The chairman recommended to the committee that we adjourn some time between ten thirty and eleven o'clock; he then left the committee and it was taken over by the vice-chairman. I may have implied that the Chairman had ruled authoritatively. I must say that the Chairman was very considerate.

Some hon. Members: Hear, hear!

Hon. H. A. Olson (Minister of Agriculture): At the outset, Mr. Speaker, I would like to reply to Your Honour's inquiry as to how this question of privilege may affect me. In his opening comments the hon. member for Crowfoot suggested that the question of privilege he was raising affected all members of the House. If that is so, then whether I am a member of the committee or not seems to me to be irrelevant.

Mr. Speaker: Order, please. The minister should find a better reason.

Some hon. Members: Hear, hear!

Mr. Speaker: I suggest that it would not be conducive to a proper proceeding of the House if every member of the House considered himself to be involved and wanted to participate in the debate on this question of privilege. I do not think that is a sufficient reason. I certainly do not want to be negative in this regard. If the minister can quickly and briefly indicate what his personal involvement is in the question of privilege, he may proceed.

Some hon. Members: Tell us.

Mr. Olson: Mr. Speaker, in addition to the reason I have just given, I am sure Your Honour will agree that, on a matter affecting a bill that I have sponsored in the House and its progress through the Standing Committee on Agriculture, before which I have been called as a witness, it is obvious why I should have a great and deep interest in the proceedings of that committee. I do not wish to particularly argue that point, Mr. Speaker. I want to assist Your Honour, as briefly as I can, in considering the alleged prima facie case of privilege that has been placed before you.

• (2:20 p.m.)

Some opinions have been expressed in the course of raising the question of privilege which are not facts. I am not suggesting that opinions and facts are necessarily synonymous. For example, the hon. member has said that under Standing Order 88 it is your responsibility, Mr. Speaker, to notify the staff and other officials concerned, and he questioned whether or not this had been done. I do not know whether you or your officers informed the staff who were serving that committee, but I do say that that question has no relevance whatever.

The other point mentioned by the hon. member for Crowfoot was that some secret manoeuvring took place, which was doing damage to the business of this House—

Some hon. Members: Hear, hear!

Mr. Olson: —with respect to the motions to adjourn which were moved in the committee. There were at least eight or ten or perhaps more motions to adjourn the committee between 8 p.m. last night and 7.30 a.m. this morning, and there was nothing secret about any one of them.

Mr. Knowles (Winnipeg North Centre): I rise on a point of order, Mr. Speaker. It is a simple one. Is this question now being debated? May we all get into it?

Mr. Speaker: That is precisely the point the Chair made a moment ago, and I have made this point before. Certainly, if the minister were allowed to debate the matter, every other member of the House should be allowed to participate. I am suggesting very simply and very humbly to the minister and to other hon. members that we have established a practice which appears to be working fairly well by allowing a member to state his position. If a member is personally involved, or if his conduct is impugned, I have always thought it would be the desire of other members of the House that the member concerned be given an opportunity to explain his position, but that the matter should rest there, and that the Speaker should then be given an opportunity to look at the matter objectively in order to determine whether there is a prima facie case of privilege. Should the Chair decide that there is, members could debate the matter if they wish to do so.

It seems to me that if I hear argument from the minister I must certainly hear from the hon. member for Winnipeg North Centre and from any other hon. member who wishes to participate.

Mr. Olson: I was attempting to be helpful by setting before Your Honour for your consideration some opinions which might not correspond with the opinions that were expressed by the hon. member for Crowfoot. However, I can see the difficulty you are having and I will certainly be very brief.

Mr. Speaker: Order. I suggest to the minister and to all hon. members that the practice we have followed has been helpful to all of us in the conduct of our business and I should think that the argument which the minister is making now will not be helpful. I think the House has to trust the Chair to look at all aspects of the matter. The hon. member for Crowfoot is prepared to do this; he has left the matter in the hands of the Speaker. If the minister pursues the procedural argument he is making I see no reason why other members should not be given an opportunity to do so. The hon. member for Crowfoot has submitted the matter to the attention of the Chair and he has indicated what his motion would be if it were ruled by the Chair that there is a prima facie case of privilege. I recognize that this is a serious matter and one which deserves the full attention of the Chair. My thought is that the question should be allowed to rest for the moment until I have consulted with the Clerk of the committee and with the officials of the House and advisers of the Chair. In due course I shall indicate to the hon. member whether I feel this is the kind of question which should be referred to the Standing Committee on Privileges and Elections. It seems to me this is a much more reasonable way in which to handle the matter.

Some hon. Members: Hear, hear!

Mr. Olson: Mr. Speaker, I have been under the impression that it is usual when a prima facie case of privilege is being alleged to hear some comment, perhaps very brief comment—

Mr. Speaker: Order, please. I suggest to the minister that is not the practice and it has not been the practice for some time.

Some hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

JUSTICE AND LEGAL AFFAIRS

Fifth report of Standing Committee on Justice and Legal Affairs—Mr. Tolmie.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

* * *

[*Translation*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing the House that the Senate has passed Bill S-11, an act to provide for the obtaining of information respecting weather modification activities, to which concurrence of this House is desired.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. MacLean: Mr. Speaker, perhaps I might be allowed on motions to raise a question of order. There has been some discussion, though not as complete as I would have liked, with House Leaders of the other parties and I think there might be agreement to the House making an order to transfer from this supply period to the next supply period the remaining motion of non-confidence that would have been moved on tomorrow's opposition day. If it is agreeable I would ask that this motion be transferred to opposition day in the next supply period.

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker, there have been discussions and I think we all agree to this request.

Questions

Mr. MacEachen: Mr. Speaker, as I understand it, the proposal is that instead of having a vote tomorrow night on the motion that will be put forward, we expect, by the official opposition, an additional motion in the next period will be a voting motion, and that the number of motions in the session will not be increased. If that is the understanding, then this is certainly agreeable to the government.

Mr. MacLean: That is correct, Mr. Speaker. My reason for raising this point at this time, of course, is that a notice has to be put in within the next few hours.

Mr. Speaker: Is it agreed and so ordered?

Some hon. Members: Agreed.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ROCHDALE COLLEGE

Question No. 27—**Mr. Paproski:**

1. Has Rochdale College received federal funds in any shape or form and, if so (a) from what sources (b) for what purpose?

2. What has been the total amount of federal expenditure authorized on behalf of Rochdale College?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Citizenship Branch of the Department of the Secretary of State and the Central Mortgage and Housing Corporation advise as follows: 1. (a) The Citizenship Branch of the Department of the Secretary of State has provided grants for projects undertaken at Rochdale College. (b) June, 1967, $5,000. During its early stages, Rochdale was of interest to the Citizenship Branch as a Canadian experiment in social organization and youth participation and its development was thus assisted.

May, 1968, $110 to assist a spin-off project of Rochdale, the Indian Institute, in its attempt to develop a better understanding of Canadian-Indian culture. For the first Cross-Cultural Workshop, the Citizenship Branch provided $110.

December, 1968, $1,500 to Rochdale College, in support of its experiments to develop new, participatory approaches to learning. On this occasion Rochdale experimented with a project to involve the community in the appreciation of dance and art forms.

December, 1969, $200 to Rochdale College, for a task force of the College engaged in the production of a handbook on legal rights.

2. In so far as the Citizenship Branch of the Department of the Secretary of State is concerned, four grants totalling $6,810 have been made to Rochdale College, and projects within the College since 1967.

Central Mortgage and Housing Corporation made a loan of $5,004,360 under Part VIA of the National Housing Act, in 1967, to Co-operative College Residences, Inc., for the purpose of constructing a student housing project at 341 Bloor Street West, Toronto. Co-operative College Residences, Inc., by declaration of trust, has declared Rochdale College to be the beneficial owner of these premises.

[Mr. Knowles (Winnipeg North Centre).]

GRANTS TO FRONTIER COLLEGE

Question No. 348—**Mr. Robinson:**

1. Have any grants been made to Frontier College in 1969 and also 1970 and, if not, are any to be made?

2. Has any application for a grant been received from Frontier College in either 1969 or 1970?

3. Does the work of Frontier College in any way overlap with the work of the Company of Young Canadians and, if so, in what regard?

4. Will the government consider the advisability of providing funds for volunteers in Frontier College on the same basis as there is an allotment of funds provided for workers with the Company of Young Canadians?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Departments of Labour, Manpower and Immigration, Secretary of State and the Company of Young Canadians advise as follows: 1. Yes. (i) The Department of Labour, $5,000 in 1969 and $5,000 in 1970. (ii) The Department of Manpower and Immigration, $20,000 in the fiscal year 1970-71.

2. Yes. (i) The Department of Labour: Letters requesting payment of grants were sent to the Department of Labour by the College in June, 1969, and June, 1970. (ii) The Department of Manpower and Immigration: In December, 1969, an application for a grant for the fiscal year 1970-71 was received. (iii) The Department of the Secretary of State, Citizenship Branch: A request for a grant of $47,000 for the fiscal year 1970-71 was received in September 1970.

3. The work of the two organizations is quite different in that the role of the person in Frontier College is that of a worker teacher in a community, while in the Company of Young Canadians the volunteer is engaged in community development work in a community. The two roles can complement each other in a community where both are required.

4. No.

NATIONAL SECURITY—COST OF MEASURES TAKEN IN LAPORTE AND CROSS KIDNAPPINGS

Question No. 361—**Mr. Fortin:**

1. What was the cost of measures taken when Messrs. Laporte and Cross were kidnapped?

2. Has there been an analysis of the economic effects of those events and, if so, what are they?

3. What measures is the government considering to avoid a repetition of events of this nature?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Government advises as follows: 1. and 2. Information is not available to provide an accurate answer to this question, nor is there avail-

able for this purpose the expert staff required to undertake the large amount of work necessary to collect and analyze the information involved.

3. All levels of government are giving continuing consideration to all appropriate measures to ensure the reasonable safety of public officials.

NATIONAL SECURITY—COST OF EMPLOYMENT OF ARMED FORCES AND RCMP DURING QUEBEC CRISIS

Question No. 372—**Mr. Coates:**

How many members of the Armed Forces and of the RCMP were employed by the federal government in provinces other than the Province of Quebec as a result of the "apprehended insurrection" in the Province of Quebec, and (*a*) what is the break-down by province (*b*) what has been the cost to date to the federal government (*c*) on what basis will these costs be met (*d*) will the provincial governments be requested to make a contribution toward these costs and, if so, what will be the proposed cost-sharing arrangement?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of National Defence, the Department of the Solicitor General, and the Prime Minister's and Privy Council Offices as follows: In so far as the Department of National Defence is concerned, it is not considered to be in the best interests of national security to release at this time the exact numbers of Canadian forces personnel employed outside the Province of Quebec as a direct result of the "apprehended insurrection" in that province. Although Canadian Forces' bases across Canada tightened security and increased guards, the only significant area of Canadian Forces' involvement outside Quebec was in Ottawa. No additional members of the Royal Canadian Mounted Police were employed on a full time basis. Numerous members worked overtime in various capacities. (a) Nil. (b) Extra duties such as overtime for the Royal Canadian Mounted Police are not compensated for. Expenses other than wages are as follows: British Columbia, $1,619; Alberta, $3.30; Saskatchewan, $158; Manitoba, $80; Ontario, $24,022; New Brunswick, $550; Nova Scotia, $55; Newfoundland, $248; Prince Edward Island, $55. (c) and (d) No decision has been reached yet regarding the sharing of these costs.

HALIFAX INTERNATIONAL AIRPORT—EMPLOYMENT OF CANADIAN CORPS OF COMMISSIONAIRES

Question No. 610—**Mr. Forrestall:**

1. How many members of the Canadian Corps of Commissionaires are employed at the Halifax International Airport and, by rank, at what rates?

2. What is the arrangement between the Corps and the Government of Canada with respect to work carried out by the Commissionaires?

3. What is the hourly rate paid to Commissionaires by their primary employer by rank?

4. Is there parity in pay scales with respect to the arrangements between Government and the Corps throughout Canada and, if not, for what reason?

Questions

5. What was the date that the current contract with the Corps was entered into by the government (*a*) when was it last reviewed (*b*) when does it expire (*c*) are changes being considered?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Supply and Services and Transport as follows: 1. There are presently five commissionaires employed at the Halifax International Airport. The complement consists of one Sergeant, two Corporals and two Commissionaires. The billing rates for Commissionaire Services are as follows:

	Regular Hours or Statutory Holidays	Overtime Hours
Commissionaire	$1.91	$2.73
Corporal	$2.06	$2.95
Sergeant	$2.21	$3.18

2. The five members of the Canadian Corps of Commissionaires employed at the Halifax International Airport are supervised by an RCMP NCO and are assigned duties laid out in RCMP Post Orders such as, entry controls of restricted areas, fire and security patrols, traffic and parking regulation and the reporting of incidents of security import. The services provided by the Corps are accounted for and certified by the RCMP NCO and invoices are passed to the Financial Services Branch of the RCMP for payment. The RCMP are repayed these moneys by the Airports Branch of the Department of Transport.

3. The source for this information is the Canadian Corps of Commissionaires.

4. As in the case of other services purchased by the Government commercially on a national scale, the labour rates reflect local conditions and are normally compatible with prevailing rates paid by private employers in the same area and for comparable services.

5. The current contract with the Canadian Corps of Commissionaires which has an automatic annual renewal clause was entered into by the Government on April 1, 1966. (*a*) It was amended on December 21, 1967. (*b*) It expires on March 31, 1971. (*c*) Yes, changes are being considered.

CANADA LABOUR (STANDARDS) CODE SUSPENSE ACCOUNT

Question No. 691—**Mr. Skoberg:**

1. What payments have been made into the Labour (Standards) Code suspense account and what wages have been paid out of it to entitled employees for each year 1965 to 1970 inclusive?

2. What amounts have been declared by the Minister to be the property of Her Majesty in right of Canada for each year 1968 to 1970 inclusive?

3. What balance remained in the Labour (Standards) Code suspense account at the end of 1970?

4. What proof does the Minister require of employers to show that they have attempted to locate the entitled employees?

5. What policies and practices are carried out by the Minister in order to attempt to locate the entitled employees once a payment is received into the Labour (Standards) Code suspense account?

Questions

6. With all Canadians now being coded with a social insurance number, what efforts are made between the Department of National Revenue and the Department of Labour to locate the entitled employee?

7. Is there any administrative machinery established between the federal and provincial departments of Labour to locate the entitled employee?

8. What efforts are being made to bring about an improvement in the location of entitled employees?

Hon. Bryce Mackasey (Minister of Labour): 1. Payments made into the Labour (Standards) Code Suspense Account and amounts paid out to entitled employees to December 31, 1970:

Fiscal Year	Paid In	Paid Out to Employees
	$	$
1965/66	10,277	1,032
1966/67	108,567	25,399
1967/68	274,135	105,472
1968/69	229,538	89,584
1969/70	190,717	65,193
1970/Dec. 31	91,120	34,879

2. Amounts declared to be the property of Her Majesty in Right of Canada:

Fiscal Year	Amount
	$
1968/69	Nil
1969/70	40,346
1970/Dec. 31	137,458

3. Balance in Labour (Standards) Code Suspense Account as at December 31, 1970, $404,991.

4. None, beyond the statement of the employer that they cannot be located.

5. A program to have the Department of National Revenue, Taxation, locate and advise the employees of their entitlement is presently under trial using social insurance numbers to locate addresses.

6. See answer to 5 above.

7. No.

8. See answer to 5 above.

*REBATE ON INTERNATIONAL AIR FARES

Question No. 730—**Mr. Dinsdale:**

1. What action has been taken by the Minister of Consumer and Corporate Affairs to ensure that Canadian consumers, who were overcharged on international air fares paid for in Canadian funds, will receive a rebate and what is the total amount involved?

2. Has the Minister investigated this matter from the standpoint of the possibility of (a) collusion (b) misleading advertising?

3. What action has been taken in each case?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Since international air fares come under the jurisdiction of the Canadian Transport Commission, the matter has been referred to the Minister of Transport.

[Mr. Skoberg.]

2. (a) Air passenger fares are not subject to the Combines Investigation Act. (b) This matter would not appear to fall under section 33D of the Combines Investigation Act.

3. Answered by 1 and 2.

STATISTICS OF CHARGES LAID UNDER SECTION 212 AND 213 OF THE CRIMINAL CODE

Question No. 876—**Mr. Forrestall:**

During each of the past 10 years, how many charges have been laid under Sections 212 and 213 of the Criminal Code of Canada, and with what results?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: Separate information on charges laid under Section 212 of the Criminal Code (counselling or aiding suicide) is not available as it is grouped with other sections of the Criminal Code. DBS does not have data on the number of charges laid under Section 213 of the Criminal Code (Suicide, attempt to commit), but the following table does provide data on the number of convictions for the years 1958 to 1967 inclusive;

Number of Convictions under Section 213 of the Criminal Code of Canada

Year	Total	Fine	Suspended Sentence		Gaol	Other Disposition
			With Prob.	Without Prob.		
1967	440	59	281	59	40	1
1966	414	36	156	148	74	—
1965	383	36	121	159	67	—
1964	298	26	91	130	51	—
1963	276	31	111	93	41	—
1962	241	25	84	73	59	—
1961	207	14	75	73	45	—
1960	207	23	78	72	34	—
1959	189	23	61	53	52	—
1958	267	75	77	59	56	—

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION—EMPLOYMENT OF MR. JACQUES VEZEAU

Question No. 919—**Mr. Caouette:**

Is Mr. Jacques Vézeau, from Rouyn, employed in the Department of Regional Economic Expansion, and (a) if so (i) from what date (ii) what is his salary (b) if not (i) does he work in the Public Service (ii) in what department (iii) what is his title (iv) from what date (v) what is his salary?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Government advises as follows: No. (a) (i) not applicable; (ii) not applicable. (b) (i) No; (ii) not applicable; (iii) not applicable; (iv) not applicable; (v) not applicable.

RECRUITMENT OF ARCHITECTURAL AND OTHER PROFESSIONAL GRADUATES IN FRANCE

Question No. 921—**Mr. McCleave:**

1. Did the Department of Indian Affairs and Northern Development recently send one or more of its officers to France to recruit graduates of the architectural and other professions and, if so (a) who went abroad (b) how long were these trips (c) what were the results?

2. Were attempts made to recruit Canadian professionals before such recruitment and with what results?

3. Is this recruitment program part of a two million dollar plan for Francophone recruitment?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows:

1. Yes. (*a*) J. E. Savage, Assistant Director, and J. Dalibard, Chief Restoration Architect, Technical Services Branch, Department of Indian Affairs and Northern Development. (*b*) J. E. Savage, two weeks. J. Dalibard, three and one half weeks. (*c*) Contacts were established with officials of the Government of France and officials and members of the Compagnie des Architectes en Chef des Monuments Historiques to facilitate the temporary employment by Canada of Architects specially trained and skilled in the restoration of French period structures, to meet the program demands of the National and Historic Parks Service.

2. Yes, without success.

3. No.

[*English*]

STUDENT EMPLOYMENT EUROPE

Question No. 934—**Mr. Peddle:**

1. To the knowledge of the government, have the activities of the organization known as SEE (Student Employment Europe) ceased and, if so, for what reason?

2. With regard to the investigation into the activities of this organization as referred to by the Minister of Manpower and Immigration at page 1761 of *Hansard*, December 4, 1970 (a) who were the principals of the organization (b) how many applications for summer employment were received by this organization from Canadian students (c) what was the total amount of money received by SEE in respect of these applications (d) was any attempt made by the government to see that refunds were made to the students concerned (e) in the final analysis, were the activities of SEE regarded as being illegal and, if so, what action was taken against the principals of the organization?

Hon. Otto E. Lang (Minister of Manpower and Immigration): To the knowledge of the Department of Manpower and Immigration, the following applies: 1. In a statement to the House on December 4, 1970 the Minister indicated that investigations were being made in regard to this organization and that it had no official connection whatever with the government and indeed had no official means of assuring placement of the students abroad. This is still the the situation. The activities of the organization known as SEE (Student Employment Europe) have not ceased despite assurances given to officials of the Department that the organization was ceasing operations.

Questions

2(*a*) A News Release issued in October, 1970 by SEE was over the signature of a Mrs. Mary Ricard. It is also known that a Mr. Jens T. Wahl has acted on behalf of the organization both in Canada and with the Central Labour Office in Germany. The German authorities have advised that they cannot entertain applications for student summer employment from SEE or any other private, non-governmental body. (*b*) This information is not available. (*c*) This information is not available. (*d*) The reply to this question must await results of the investigations. (*e*) The reply to this question must await results of the investigations.

ASIAN DEVELOPMENT BANK—CANADA'S SUBSCRIPTION

Question No. 942—**Mr. Robinson:**

1. What has been Canada's contribution to the Asian Development Bank since its inception?

2. What has been the contribution of each of the 19 Asian members to the Asian Development Bank since it was set up?

3. What has been the contribution of each of the 13 non-Asian members of the Asian Development Bank for each year since its inception?

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): 1. Canada's subscription to the capital stock of the Asian Development Bank is US $25 million, one-half of which is paid in and one-half callable. Canada has also pledged the equivalent of US $25 million to the Bank's multipurpose Special Fund and US $200,000 to the Bank's Technical Assistance Special Fund. Of these amounts, all of the technical assistance contribution and US $15 million of the Multipurpose contribution has been to date made available to the Bank.

2. Subscriptions to the capital stock of the Bank by each of the 21 regional members of the ADB are shown below. One-half of each subscription is callable and one-half is paid in. All figures are in millions of US dollars.

Afghanistan	4.78	Laos	.42
Australia	85.0	Malaysia	20.0
Cambodia	3.5	Nepal	2.16
Ceylon	8.52	New Zealand	22.56
China, Rep. of	16.0	Pakistan	32.0
Fiji	1.0	Philippines	35.0
Hong Kong	8.0	Singapore	5.0
India	93.0	Thailand	20.0
Indonesia	25.0	Vietnam, Rep. of	12.0
Japan	200.0	Western Samoa	.06
Korea, Rep. of	30.0		

In addition the following regional countries have made contributions in the following amounts to the consolidated Special Funds of the Bank.

Australia	US $10 million
India	US $26,667
Japan	US $71.314 million
New Zealand	US $168,000
Pakistan	US $42,000

3. Subscriptions to the capital Stock of the Bank by each of the 14 non-regional members of the ADB are

shown below. One-half of each subscription is callable and one-half is paid in. Each subscription was paid in five equal annual instalments between 1967 and 1971. All figures are in millions of US dollars.

Australia	5.0	Italy	20.0
Belgium	5.0	Netherlands	11.0
Canada	25.0	Norway	5.0
Denmark	5.0	Sweden	5.0
Finland	5.0	Switzerland	5.0
France	25.0	United Kingdom	30.0
Germany, Fed. Rep. of	34.0	United States	200.0

In addition the following countries, Canada excluded, have made contributions in the following amounts to the consolidated Special Funds of the Bank. These contributions are not made on an annual basis but are voluntary and vary considerably in payment terms.

Denmark	US $ 2,300,000
Finland	US $ 108,173
Germany, Fed. Rep. of	US $ 86,137
Netherlands	US $ 2,237,568
Switzerland	US $ 200,000
United Kingdom	US $14,518,434
United States	US $ 1,250,000

ATOMIC ENERGY—DOUGLAS POINT NUCLEAR POWER PROJECT

Question No. 972—**Mr. Coates:**

1. Was a decision taken by the federal government or AECL to undertake construction of CANDU at Douglas Point and, if so (a) on what date (b) what was the estimated cost of construction of this plant at that time (c) what was the estimated date of completion?

2. Did the federal government or AECL negotiate an arrangement with Ontario Hydro for the take-over of the Douglas Point plant and, if so (a) what were the original terms of that agreement (b) what was the proposed date of take-over (c) does such an agreement still exist between the federal government or AECL and Ontario Hydro and, if so, what are the terms of the present agreement?

3. On what date was the construction of CANDU completed and at what cost?

4. Has CANDU become fully operational as yet and, if not, for what reason?

5. What is the present complement of employees at the Douglas Point plant and what will be the estimated payroll cost for the fiscal year 1970-71?

6. Has electrical energy been sold to Ontario Hydro that has been generated by CANDU and, if so (a) how much was sold in 1970 (b) at what revenue to AECL or the federal government (c) what was the total production of energy from this plant during 1970?

7. (a) On what date does AECL or the federal government expect CANDU to become fully operational (b) will it then be sold to Ontario Hydro and, if so (i) what is the estimated selling price (ii) what will be the estimated loss to AECL or the federal government from the sale of this property?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Atomic Energy of Canada Limited reports as follows:

1. Yes. (a) In June 1959, Atomic Energy of Canada Limited was authorized by the Federal Government to proceed with the construction of the CANDU nuclear plant which later became the Douglas Point Nuclear Power Project. (b) $81,507,000. (c) Construction completion in 1964. Operational service in 1965.

2. Yes. (a) The plant is owned by Atomic Energy of Canada Limited and delivers energy to the Hydro-Electric Power Commission of Ontario. The Commission provided the site and the interconnection with its southern system. The Commission operates the station and purchases the energy delivered at the same rate it pays for energy from interconnected systems. When the plant has established itself as a dependable generating unit, the Commission will purchase it from Atomic Energy of Canada Limited at a price calculated to render the cost of energy produced by it equal to that of energy from a reference fossil-fired conventional thermal generating unit in the Commission's system. (b) See (a). (c) Yes, the original agreement remains in force.

3. November, 1966. $89,637,000.

4. Yes.

5. Ontario Hydro operates the station for Atomic Energy of Canada Limited. Present complement of employees is 208. Ontario Hydro paid their employees approximately $2,600,000.

6. Yes. (a) Approximately 830 million kilowatt hours. (b) Approximately $4,900,000. (c) 915.2 million kilowatt hours. The difference between (a) and (c) represents energy consumed in the station.

7. (a) It became fully operational in September 1968. (b) See answer to 2. (a). (i) See answer to 2. (a). (ii) The difference between the cost of construction and the selling price cannot be determined until the sale is negotiated. Such difference is not a "loss" in the sense the word is used in the question; it represents the cost of developing a prototype reactor.

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY

Question No. 973—**Mr. Coates:**

1. On what date was Paul Gérin-Lajoie appointed Director of C.I.D.A. and what is his present salary?

2. Where is the office of C.I.D.A. located (a) what floor space has been leased (b) from whom (c) for what period of time (d) at what annual cost?

3. Does C.I.D.A. provide a limousine and chauffeur for the Director and, if so (a) what type of motor vehicle is provided (b) what did it cost (c) what is the name of the chauffeur (d) what is his annual salary?

4. Did the Department of Public Works renovate the offices of the Director of C.I.D.A. and his personnel and, if so (a) what method was used for the renovation (b) at what cost?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Department of External Affairs and the Department of Public Works as follows: 1. The date of appointment is November 15, 1970. The salary range of the President of CIDA is $35,000 to $39,000.

2. The offices of CIDA are located in the Jackson Building, corner of Bank and Slater Streets, Ottawa, with the Finance Division being located in the Nicol Building,

331 Cooper Street, Ottawa. Jackson Building (Crown-owned) (a), (b), (c) and (d) Not applicable. (a) Floor space leased, Nicol Building, 9,700 sq. ft. (b) From whom, Nicol Building, rented from W. M. Nicol of Nicol, O'Conner & Kealey, Barristers. (c) For what period of time Nicol Building, Fall of 1971. (d) At what annual cost, Nicol Building, $4.10 per sq. ft.; that is, 9,700 sq. ft. at $4.10 per sq. ft. for a total of $39,770.

3. CIDA does not provide a limousine and a chauffeur for the President. (a), (b), (c), (d) not applicable. The President does, however, utilize, for business purposes as required, a personally owned vehicle of an employee and the services of the employee as driver, with the employee being reimbursed for mileage in accordance with mileage rate rules.

4. The Department of Public Works did not actually renovate the offices of the President of CIDA and of certain of his immediate staff, but rather effected alterations to offices, the initial construction of which was nearing completion at the time the President took office. (a) Work carried out by contract. (b) Total cost of renovations was $3,135.

FINANCIAL AID FOR PRODUCTION OF "PILE OU FACE"

Question No. 984—**Mr. Valade:**

1. Has Canada Council or any government agency given grants or financial aid for the production of *Pile ou Face*, a film now being shown in some Montreal theatres and, if so, how much money was contributed?

2. Has this film any artistic value?

3. What criteria justified such assistance?

Hon. Gérard Pelletier (Secretary of State): 1. Yes, the Canadian Film Development Corporation. I am informed by the Canadian Film Development Corporation that the amount of each individual loan and investment in Canadian feature film production is not made public in order to protect the financial position of the applicant in his negotiations with possible purchasers of the completed film.

2. and 3. In the opinion of the Canadian Film Development Corporation, the feature film, *Pile ou Face*, conforms to the requirements of section 10(2)(a) of the Canadian Film Development Corporation Act of "significant Canadian creative, artistic and technical content", in addition to meeting requirements concerning financing and distribution.

CANADIAN UNITARIAN AID TO VIETNAM

Question No. 1,027—**Mr. Brewin:**

1. Has the government received a request from the Canadian Unitarian Aid to Vietnam to grant an export permit to ship medical equipment for aid to civilians in North Vietnam?

2. Was a permit for the shipment of such goods issued on May 13, 1969 for goods identified as being of Canadian and German origin and, if so, what was the value of the goods permitted to be shipped under such permit?

3. Was a permit refused to the said organization for the export to North Vietnam of medical equipment of American manufacture and, if so (a) was it refused at the request of any American authorities (b) what American officials made the request (c) was the request in writing (d) what was the ground for such a request?

4. Has the government made representations to the appropriate American authorities that the refusal to permit the shipment of medical supplies for civilians is in contravention of Article 23 of the provisions of the Geneva Convention which provides that—"Each high contracting party shall allow the free passage of all consignments of medical and hospital stores intended only for civilians of another high contracting party even if the latter is its adversary"?

5. Has the government made representations to the appropriate American authorities that the refusal to ship these American goods is contrary to the spirit if not the letter of the Geneva Convention and to humanitarian principles and, if so, what has been the reply of the American authorities?

6. Has the government granted or refused any permits to export medical supplies to South Vietnam?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): 1. Yes.

2. Yes. It is the government's policy not to disclose details of an individual export permit application.

3. Yes. (*a*) No. (*b*) (*c*) (*d*) Not applicable.

4. No.

5. No.

6. Granted, yes; refused, no.

INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,114—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Communications (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. Eric W. Kierans (Minister of Communications): (*a*) to (*d*) None.

*MANPOWER—STUDY OF EMPLOYMENT OF UNIVERSITY STUDENTS

Question No. 1,122—**Mr. Nystrom:**

1. Was a survey study of employment of university students released by the Department of Manpower and Immigration on February 4, 1971 and, if so, was any consideration given to the inclusion in the study of students who did not return to university because they were unable to find summer employment?

2. Was there any indication that any of the students, who were unsuccessful in seeking employment, stated they had not sought employment?

3. What was the population of students in accredited universities in the academic year 1969-1970?

4. Was the survey based on oral or written questions?

5. What was the response rate?

6. Would the government be prepared to Table the questionnaire and an outline of the method used?

Mr. Chas. L. Caccia (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, in view of the extent of the reply, may I ask leave of the House to have the reply considered as recorded in *Hansard* at this point?

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

[*Editor's Note: The answer referred to above is as follows:*]

1. Preliminary results of a study of the employment of post-secondary students in the summer of 1970 were released by the Department of Manpower and Immigration on February 4, 1971. The survey was carried out at the time students registered for classes in the fall. Because of the method used, the survey did not include students who, for one reason or another, including their inability to find summer employment, did not return or proceed to post-secondary education.

2. The survey established that all but 10 per cent of the students had sought paid work. Of the 90 per cent who sought work, 89 per cent found employment some time during the summer.

3. The population of students in universities in 1969/70 is estimated by the Dominion Bureau of Statistics as 312,000.

4. The survey was based on written questions.

5. The survey was completed by approximately 17,000 students at 54 universities, community colleges and teachers colleges across Canada. It was based on a scientifically selected sample, within which the response rate averaged 75 per cent.

6. A full report of the survey including an outline of the method used and a copy of the questionnaire will be ready in a few weeks' time.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

MARIJUANA AND HASHISH RESEARCH

Question No. 49—**Mr. Orlikow:**

1. Is the Food and Drug Directorate of the Department of National Health and Welfare now growing marijuana and, if so, where and in what quantities?

2. Where were the original seeds for the marijuana crop acquired and at what cost?

3 What criteria have been set up by the Food and Drug Directorate regarding the supply of marijuana and hashish to Canadian researchers?

4. What applications have been received by the Food and Drug Directorate regarding marijuana and hashish research in Canada, and how many have been supplied with marijuana by the Food and Drug Directorate?

Return tabled.

FEDERAL CONTRIBUTION TO "POOR PEOPLE'S CONVENTION" IN TORONTO

Question No. 688—**Mr. McIntosh:**

1. What was the total federal contribution to the recent "Poor People's Convention" in Toronto?

2. Under what policy item and in what department was this contribution authorized?

3. What future federal commitments to this group have been authorized?

4. What organizations took part in this convention?

5. In each case, what is the accredited membership?

6 (a) Who was the chairman of the convention (b) was the person appointed or elected and, in either case, by whom?

Return tabled.

[Mr. Speaker.]

STE. SCHOLASTIQUE—DISPOSAL OF CROWN BUILDINGS ON SITE OF INTERNATIONAL AIRPORT

Question No. 726—**Mr. Valade:**

1. Has Crown Assets Disposal Corporation disposed of all Crown buildings located on the site of the international airport in Ste. Scholastique under tender call of October 28, 1970, file number L.B. 25224 and, if so, on what conditions?

2. What are the names and addresses of the buyers?

3. What amount was paid by each buyer?

4. Has CADC made special agreements with any of the buyers?

Return tabled.

COST TO CANADA TO SUPPORT UNITED NATIONS

Question No. 890—**Mr. Robinson:**

What was the cost to Canada to support the United Nations for each year since its inception?

Return tabled.

SASKATCHEWAN—PFAA PERSONNEL

Question No. 1,004—**Mr. Thomson:**

1. What are the names and addresses of all persons in Saskatchewan employed by PFAA?

2. What was the amount in 1970 paid to each in (a) salary (b) expenses?

Return tabled.

Mr. McCleave: Mr. Speaker, on a question of privilege, since I have on the order paper starred question 1178 I should like to make it clear that it refers only to flood relief and not to any other kind of relief.

Mr. Coates: Mr. Speaker, I rise on a question of privilege. Unfortunately, it is not a new question of privilege; it is one I have raised before on this particular occasion with regard to question No. 12 which stands in my name and has stood on the order paper since October 8 in this session. On the previous occasion when I rose I brought to your attention the great problem that I face as a result of not receiving a reply to this question before now. I pointed out to Your Honour that this question was on the order paper in the last session of Parliament. I have with me today the order paper for October 5, 1970, from the last session of Parliament, and I point out to you that starred question No. 1203 is exactly the same as starred question No. 12. A point I must raise, which gives me great difficulty, is that, for instance, my question No. 43 is a similar question dealing with the same subject matter but for a later period of time.

The question relates to the Jetstar which is used by the Prime Minister, and it asks specific questions about its use. The Jetstar was purchased by the government of Canada with the taxpayers' money. It is used by the Prime Minister for specific purposes. There is no argument with that. But I do believe that the information I am asking for is legitimate information. It is information which should be made available to the people of this country in view of the fact that their tax dollars are

involved in both the purchase of the aircraft and its use. I see no reason why I have had to wait since February 13, 1970, to get this information. If this question is not answered, I will have to reach the conclusion that the Prime Minister and the government have decided that this information will not be made available to the public. It is the taxpayers' money that is being spent but, to hell with the taxpayers, they are not going to find out what he is doing. I think it is about time that my questions in this regard were answered.

Mr. Trudeau: Mr. Speaker, there is no intention on the part of the government to withhold information here. I have seen a draft of the answer some weeks ago, and it must be in the process of preparation now for tabling in the House. The fact is that this kind of information does require a great number of man-hours to procure it.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

Mr. Trudeau: I hope you will permit me, Mr. Speaker, when I table the answer, to indicate how many thousands of dollars of taxpayers' money have been needed to answer it.

Some hon. Members: Hear, hear!

Mr. Coates: Mr. Speaker—

Mr. Speaker: Order, please. The hon. member has made his point. He rose on a question of privilege and the Chair has heard him. The right hon. Prime Minister has replied, and I doubt whether there is any point in pursuing a debate on the matter. The Chair will attempt to take a personal interest in the question and in the provision of a reply. Hon. members know that it is beyond the purview of the Speaker's responsibility to get the Chair involved in the filing of returns or the supplying of answers to written questions except when this might be helpful to hon. members. I will be glad to have a look at the matter a little more closely on behalf of the hon. member.

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

Mr. Speaker: Order please. Is the hon. member rising on another question of privilege? It should not be on the first one, because if the hon. member does that again, where do we go from there? A reply was given by the Prime Minister who is personally involved. It was quite in order for the Prime Minister to make that reply. If the hon. member now rises on another question of privilege, I wonder how long this will go on.

Mr. Coates: Mr. Speaker, what upsets me is that the Prime Minister has implied that I am costing the taxpayers money—

Some hon. Members: Hear, hear!

Mr. Coates: —by exercising my right as a Member of Parliament to ask for information which should be made available to the taxpayers. I will not take that from him.

Mr. Speaker: Order, please.

[*Translation*]

MOTIONS FOR PAPERS

Mr. Albert Béchard (Parliamentary Secretary to Minister of Justice): Mr. Speaker, notices of motions for the production of papers Nos. 43, 197 and 202 are acceptable to the government.

[*English*]

Mr. Speaker: Is it the pleasure of the House that Notices of Motions 43, 197 and 202 be deemed to have been adopted?

Some hon. Members: Agreed.

WHITE PAPER ON UNEMPLOYMENT INSURANCE

Motion No. 43—**Mr. Broadbent:**

That an Order of the House do issue for copies of all representations received by the Government of Canada regarding the White Paper on Unemployment Insurance.

Motion agreed to.

CORRESPONDENCE BETWEEN FEDERAL AND SASKATCHEWAN GOVERNMENTS CONCERNING LOAN FUND

Motion No. 197—**Mr. Burton:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all correspondence exchanged between the Government of Canada and the Government of Saskatchewan concerning the loan fund available for provinces announced by the Minister of Finance in his Budget Address on December 3, 1970.

Motion agreed to.

ORDER IN COUNCIL 1971-303—ECONOMIC EXPANSION AND SOCIAL ADJUSTMENT PLAN, SPECIAL AREA MAP

Motion No. 202—**Mr. Burton:**

That an Order of the House do issue for a copy of the following documents with respect to Order in Council 1971-303, dated February 16, 1971 (a) the plan of economic expansion and social adjustment referred to in the Order in Council (b) the map showing the area comprised in the special area established under the said Order in Council.

Motion agreed to.

[*Translation*]

Mr. Béchard: Mr. Speaker, would you be so kind as to call notices of motions Nos. 66, 67 and 68?

I ask, Mr. Speaker, that the remaining notices of motions be allowed to stand.

[*English*]

1965 CONSULTANT REPORT, EFFECTIVE MANAGEMENT SYSTEM FOR EQUIPMENT ACQUISITION PRODUCTS

Motion No. 66—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Peat, Marwick, Livingstone and Company, Boston, USA, undertaken for the Department of Defence Production in 1965 on the development of an effective management system

for equipment acquisition products, mentioned in answer to Question Number 1,323 of the 1st Session of this Parliament.

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, the report referred to in this motion was originally commissioned by the former Department of Defence Production. It was a working document for internal use and as such it is considered confidential and not in the public interest to table. In the circumstances I hope that the hon. member will be willing to withdraw the motion.

Mr. Skoberg: It appears to me that Members of Parliament should be aware of this type of privileged material, and I call for the vote.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

CONSULTANT REPORT, EFFECTIVE MANAGEMENT SYSTEM FOR EQUIPMENT ACQUISITION PRODUCTS

Motion No. 67—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Peat, Marwick, Livingstone and Company, Boston, USA, undertaken for the Department of Defence Production on the development of an effective management system for equipment acquisition products, mentioned in answer to Question Number 1,323 of the 1st session of this Parliament.

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, the answer is the same as the one just given in reply to motion for production of papers No. 66, and I therefore again ask the hon. member to withdraw his motion.

Mr. Skoberg: My response is the same, Mr. Speaker.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate.

CONSULTANT REPORT ON THE DEVELOPMENT OF DEPARTMENTAL PLANNING, PROGRAMMING AND BUDGETING SYSTEM

Motion No. 68—**Mr. Skoberg:**

That an Order of the House do issue for a copy of the consultant report by Peat, Marwick, Livingstone and Company, Boston, USA, undertaken for the Department of Defence Production on the development of departmental planning, programming and budgeting system, as mentioned in answer to Question Number 1,323 of the 1st session of this Parliament.

Hon. James Richardson (Minister of Supply and Services): The answer is the same and the same request is made.

Mr. Skoberg: Surely we should know what the departmental planning is all about, and I would like to call for the vote.

Mr. MacEachen: Transfer for debate.

Mr. Speaker: Transferred for debate. Shall the remaining notices of motions stand?

Some hon. Members: Agreed.

[Mr. Skoberg.]

ORAL QUESTION PERIOD

NATIONAL SECURITY

VIEWS EXPRESSED ON QUEBEC CRISIS IN BOOK BY SECRETARY OF STATE—GOVERNMENT POSITION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the right hon. Prime Minister whether the views expressed by the Secretary of State in a book concerning the crisis in Quebec last October represent the views of the government?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I understand that on the first page of the book the Secretary of State makes it clear that the views expressed are his own and not those of the government.

Some hon. Members: Oh, oh!

An hon. Member: When did he resign?

Mr. Stanfield: Mr. Speaker, I ask the Prime Minister specifically whether the view expressed in the book that the government of Canada was not worried about a popular insurrection in Quebec at that time represents the view of the government?

Mr. Trudeau: I do not know what the hon. member is quoting from. I have no knowledge that that is in the book, not having read the book, but I will look at any reference that the hon. member gives me and then I will be able to tell him whether or not it is the government policy.

Mr. Stanfield: Mr. Speaker, I have a supplementary for the Minister of Regional Economic Expansion. In view of the fact that ministers seem to be quite free within the government to give their own views I should like to ask the minister whether he intends to publish his views on the crisis?

Some hon. Members: Oh, oh!

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I always believe in going to the horse's mouth.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The minister better not take that too far or I will refer to him in another sense. I ask the Secretary of State whether or not the view he expresses in this booklet or book, as the case may be, that the government had no fear of insurrection last October was the view he held then or is it the result of thought since the occasion?

Mr. Speaker: Order, please. The minister may wish to reply but certainly I think this question is not in order. The right hon. gentleman refers to a book published by a member of the cabinet and asks whether views expressed in the book were held by the minister some months ago. I do not think a question asked in those terms is quite acceptable.

Mr. Diefenbaker: I rise on a question of privilege, Mr. Speaker. While the matter is before you for consideration—and in no way do I anticipate your decision—may I say that we have seen Parliament tramped on again by this government and its basic rights destroyed.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Ministers sit over there and refuse to answer questions. When questions are asked concerning their public statements—

Mr. Speaker: Order, please.

Mr. Diefenbaker: —answers are denied.

Mr. Speaker: Order, please.

Mr. Diefenbaker: Where is this House of Commons going?

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I suggest to hon. members that in this instance at least it is not the minister who refuses to reply. He seemed to be very anxious to reply but I did not think the question was the type of question to which the minister should be allowed to reply. This is not the minister's responsibility but the Chair's responsibility, and I am prepared to accept it.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a supplementary question to the Minister of Justice.

Does he intend to read the book the Secretary of State is releasing today, and will he tell us whether or not the writings of his colleague fit in with the minister's policy concerning the October crisis.

VIEWS EXPRESSED ON QUEBEC CRISIS IN BOOK BY SECRETARY OF STATE—EFFECT ON CABINET SECRECY

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I would like to put a question to the Secretary of State.

Would he tell us how he can, in a book, separate his views as a minister of the Crown from his personal views when he could endanger and discredit the oath of office by all cabinet members?

Hon. Gérard Pelletier (Secretary of State): Exactly in the same way, Mr. Speaker, as any minister and even any member of the House does, when making a speech.

[*English*]

Mr. Speaker: Order, please. I suggest to hon. members that not much purpose would be served in continuing this line of questioning. It seems to me there are very important matters to be considered and serious questions to be asked. All this I am sure is welcome publicity for the minister's book, but I think we should really proceed to another subject.

Inquiries of the Ministry

REGIONAL ECONOMIC EXPANSION

DEVELOPMENT OF MORE EFFECTIVE INCENTIVE PROGRAMS IN LIGHT OF CRITICISMS

Mr. John Burton (Regina East): Mr. Speaker, I should like to put a question to the Minister of Regional Economic Expansion. In view of the many concerns expressed recently about the ineffectiveness of the regional development incentive program, including the view expressed by Dr. Solandt, Chairman of the Science Council of Canada, that "the record of regional industrial development in Canada was one of disaster after disaster" and that "they're not economically sound," I should like to ask the minister whether the government is conducting a special study and review of its regional development program in order to develop programs which will be more effective?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I do not know whether the hon. member implies that the application which is being made by a pulp mill in Regina should not be accepted because the program is not efficient.

Mr. Burton: Mr. Speaker, I shall repeat my question. In view of the criticisms, including that of Dr. Solandt, Chairman of the Science Council of Canada, is the government reviewing its programs in order to develop better alternatives and is it holding any consultations with people such as Dr. Solandt, Chairman of the Science Council, in order to develop a sound program which will be co-ordinated with science policy?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I have read a great many opinions on the department, and on regional development, expressed by members of all political parties, and by scientists, several of them contradictory. I am not in a position to give an opinion on the view brought up this afternoon in the House.

[*English*]

INCENTIVE GRANTS TO FOREIGN-CONTROLLED FIRMS—POSSIBLE POLICY CHANGE

Mr. John Burton (Regina East): Mr. Speaker, with regard to a specific aspect of policy, I should like to ask whether the minister is reconsidering his policy of making incentive grants to foreign-controlled firms on the same basis as to Canadian-controlled concerns and does he anticipate that there will be any policy changes in this regard for his department when the government announces its policy on foreign ownership?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker. When an American company, such as Boeing, seeks to settle in Manitoba, we grant authorization and give the same subsidy in Winnipeg as in Gaspé or in the Maritimes.

Inquiries of the Ministry

STE. SCHOLASTIQUE AIRPORT—ESTABLISHMENT OF SPECIAL AREA

Mr. Roch La Salle (Joliette): Mr. Speaker, I want to direct a question to the Minister of Regional Economic Expansion.

As regards the Ste. Scholastique airport construction project, would the minister be in a position today to state when he is going to announce the establishment of a special zone which is needed for the implementation of this project?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, there will be a special zone north of Montreal, and this will be announced in the very near future.

[*English*]

Mr. Speaker: It seems to me we are moving away from the original question, but the Chair will recognize the hon. member for Waterloo on a supplementary.

CONSULTATION WITH PROVINCES TO PREVENT MOVEMENT OF FIRMS FROM ONE PROVINCE TO ANOTHER

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct a question to the Minister of Regional Economic Expansion. Has his attention been drawn to the grant made by the Ontario Development Corporation to a Quebec-based company to get that company to move from Quebec? My question to the minister is whether he is consulting with the provinces to make sure that when there is competition between provinces they do not obviate whatever work is being done and that one province does not work against another, with perhaps both of them working against federal policy?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we are taking all the precautions that are humanly possible to prevent these incentives, which are public money, from being used by industries for moving from one province to another. Before granting an incentive, we make sure that there exists an adequate market for the additional production and for instance we do not accept that a new industry use this money obtained from the government to ruin or weaken another industry.

[*English*]

Mr. Saltsman: Mr. Speaker, I have a supplementary.

Mr. Speaker: Order, please. First I suggest to hon. members that we are leapfrogging from supplementary to supplementary over different subjects. I will recognize the hon. member for Waterloo on a supplementary and then the hon. member for Lotbinière.

Mr. Saltsman: Mr. Speaker, my supplementary is to the Minister of Regional Economic Expansion. He may not have understood that portion of the question I directed to him when I asked him whether he is holding consultations with the provinces to make sure that this kind of working against each other does not take place?

[Mr. Marchand (Langelier).]

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, there may be consultations with the provinces in some instances, but usually these things are discussed directly with the officials of the industries concerned in the light of the information we have on hand about the area involved.

* * *

INDIAN AFFAIRS

CONVERSION OF COQUALEETZA HOSPITAL INTO COMMUNITY CENTRE—FAMILY AND SOCIAL PROGRAMS

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development.

In view of protests received from the Indians, is the minister ready to assure us that the Coqualeetza Indian hospital and the land adjoining it in British Columbia will be used to meet the needs and care of the Indian people in the area in accordance with their best interest and requests?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we are studying this proposal. Until now the Indians have made three different proposals; we are studying the consequences and if, as we have told them, it is in their best interest we will give them the building in question. We must however take into account the financial means of the government and if it proves impossible to finance this proposal, we will have to look for an alternative.

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

I would like to ask the minister whether there has been an advance discussion or agreement between his department and the Department of National Health and Welfare with regard to this decision of taking away this hospital for Indians?

Mr. Chrétien: Mr. Speaker, this hospital belongs to the Canadian government and not to the Indians. We gave the Indians certains sums of money to enable them to conduct studies on the matter. We are considering their suggestions and as I said we will accept only those which are sensible. We are not however in a position to give an answer at this time.

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

Can the hon. minister assure the House that the government will implement the program that was submitted to him by the Indians in this area, especially those programs concerning family and social services as well as the development of Indian arts?

Mr. Chrétien: Mr. Speaker, there are programs of this nature in British Columbia as elsewhere. As to whether they should be located in Chilliwack, this is another aspect of the problem, which as a matter of fact we are examining. These programs need not be located in this community, but they might be.

[*English*]

FINANCE

REDUCTION BY INDUSTRIAL DEVELOPMENT BANK OF INTEREST RATE ON LOANS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I have a question for the Minister of Finance who is supposed to be in the House today, but as he is not here I will address it to the acting minister and ask him to pass it on to the minister. As the interest rates that are being charged on Industrial Development Bank loans are considerably higher than on comparable commercial loans, will the minister strongly urge the Governor of the Bank of Canada, which has jurisdiction over the operations of the IDB, to have that body lower its interest rates by the same amount commercial rates have been lowered recently, so that the IDB can continue to do the good job that it was established to do for industry?

Hon. Herb Gray (Acting Minister of Finance): Mr. Speaker, I will be happy to draw the hon. member's question to the attention of my colleague who, I am sure, will want to reply in his usual effective and responsive manner.

* * *

FISHERIES

SASKATCHEWAN RIVER SYSTEM—MERCURY CONTAMINATION—COMPENSATION TO FISHERMEN

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I would like to direct a question to the Minister of Fisheries and Forestry. In light of the fact that the Minister of Natural Resources of the province of Saskatchewan has indicated that fishing in the Saskatchewan River system will not be allowed this year because of mercury contamination—

Mr. Diefenbaker: Except in Diefenbaker Lake.

Mr. Korchinski: —will there be a program of compensation for fishermen in effect this year?

Hon. Jack Davis (Minister of Fisheries and Forestry): No, Mr. Speaker, but a retraining program will be.

Mr. Korchinski: May I ask the minister whether an agreement is already in effect for a retraining program?

Mr. Davis: No, but it is under active consideration.

* * *

CITIZENSHIP

INQUIRY AS TO DISMISSAL OF JUDGES OF COURTS AND INTRODUCTION OF NEW ARRANGEMENT

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I wish to direct a question to the Minister without Portfolio responsible for citizenship. Has information been sent out from the minister's department telling the judges of the citizenship courts that they are to be dismissed shortly and that a whole new arrangement in that regard will be brought into effect?

Hon. Robert Stanbury (Minister without Portfolio): No, Mr. Speaker.

Inquiries of the Ministry

NATIONAL PARKS

POSTPONEMENT OF LAND RENTAL INCREASES

Mr. Allen B. Sulatycky (Rocky Mountain): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. Next week increased land rentals in national parks will become due with respect to many leases. In view of the fact that the reports of the appraisal appeal boards in each park have not yet been made public, can the minister advise whether a decision has been made to postpone these increases?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I am in a position to inform the hon. member that those increases will not come into effect before April 1, but I cannot assure him that they will not come into effect later this year. However, I will inform the hon. member in case they should be put into effect before the end of this year.

* * *

[*English*]

OIL

PROPOSED MACKENZIE VALLEY PIPELINE—NEGOTIATIONS WITH UNITED STATES IN 1970

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs arising from a report from Washington to the effect that in February, 1970, President Nixon instructed the Department of State of the United States government to enter into negotiations with the government of Canada regarding the construction of a pipeline from Alaska through Canada to the United States. May I ask the minister if any such negotiations were entered into by the United States and Canadian governments, either through himself or through any other minister of the Canadian government?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Not to my knowledge, Mr. Speaker.

Mr. Douglas: Mr. Speaker, may I ask the Minister of Energy, Mines and Resources if any such negotiations were carried on in 1970?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Not to my knowledge, Mr. Speaker, although inferentially in the oil discussions which we had with them in that period a pipeline was talked about from time to time, but no specific discussion vis-à-vis the pipeline itself were entered into.

REGULATIONS TO BRING CANADIAN OIL ENTERING PIPELINES UNDER NATIONAL ENERGY BOARD

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that the pipeline in question, according to the minister's own statement, will be handling Canadian oil, I want to ask him a question about Part VI, section 87 of the National Energy Board Act. Since this was proclaimed last May 7 last but the regulations deal only with gasoline, is it the minister's intention to pass regulations dealing with oil entering pipelines to bring

this operation under the jurisdiction of the National Energy Board?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): At the present time there is no such intention. The authority is there if required. The declaration in regard to gasoline was made in order to render the national oil policy effective, which policy was commencing to break down by reason of the flow of products across the Ottawa valley line. In respect of oil, in the opinion of the government that authority has not been needed to date to make the national oil policy work.

PROPOSED MACKENZIE VALLEY PIPELINE—ECOLOGICAL STUDIES—PUBLICATION OF RESULTS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, I wish to direct a supplementary question to the Minister of Energy, Mines and Resources. Is he now in a position to table the results of research pertaining to environmental problems arising from any pipeline project down the Mackenzie Valley?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, as I think I informed the House the other day, both in the debate and in answer to questions from hon. gentlemen opposite, research is going on in many areas—in the private sector, the universities and within government. Whether or not we could effectively table the results of all these researches I am not sure, but we will certainly consider the situation. Certainly a broad spectrum of knowledge on the part of the public is required on this entire issue.

PROPOSED MACKENZIE VALLEY PIPELINE—CONSULTATIONS WITH NATIVE PEOPLE

Mr. Erik Nielsen (Yukon): Mr. Speaker, I wish to direct a supplementary question to the Minister of Indian Affairs and Northern Development. Have any consultations between the officials of his department and the native Indian peoples in the north been carried on with respect to the construction of a pipeline through Canada, and are any further such consultations planned?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we try to keep the Indian and Eskimo people in the North informed of what takes place within certain study committees. Over the past year, representatives of these citizens of the North have participated, with government officials, in some research projects, particularly in the Old Crow and Banks Island regions.

We have asked officials of the industry to include in their teams Eskimo or Indian advisers, and they will carry on with this practice in the future.

[*English*]

Mr. Nielsen: Mr. Speaker, I repeat the last half of my supplementary question. Are any further such consultations being planned with respect to the construction of this pipeline?

[Mr. Douglas.]

[*Translation*]

Mr. Chrétien: Mr. Speaker, we are trying every day to keep them up to date and I can assure the hon. member that they will be kept informed in the weeks and months to come.

[*English*]

PROPOSED MACKENZIE VALLEY PIPELINE—ECONOMIC COMPETITIVENESS WITH TAPS—POSITION OF ALASKA PRODUCERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, as a result of the discussions the Minister of Energy, Mines and Resources has had with the representatives of the companies interested in Alaska oil, is he in a position to tell the House whether a pipeline through Canada, down the Mackenzie valley, is regarded by the Alaska oil producers as being as economically competitive in delivering oil to the Pacific northwest and the mid-western United States as the Alaska pipeline and water route, and if they are not yet convinced that it would be competitive, does the minister consider that he is in a position to convince them that it is economically competitive?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the Minister of Indian Affairs and Northern Development and myself and subsequently other ministers had a very useful meeting today with the presidents of five of the companies who have holdings in the Prudhoe Bay area. We discussed the economics of the various lines. It would appear that the economics of delivery to the west coast are preferably by the Valdez line, but the economics of delivery to the Chicago area may well be preferable by way of an all-Canadian line. According to information I have from our own officials, there would be an advantage of 30 cents a barrel in the latter case.

Mr. Speaker: Order, please. I shall, of course, recognize the Leader of the Opposition on a supplementary but I will take this opportunity to deliver my usual admonition perhaps a little earlier. I invite hon. members to ask short questions and ministers to give brief answers, with as few supplementaries as possible, in order to give more hon. members the opportunity to ask questions.

Mr. Stanfield: I put a supplementary question to the minister. As a result of his discussions, is the minister in a position to tell us how long the representatives of the Alaska oil companies are prepared to wait before they feel it necessary to make a choice with regard to the route?

Mr. Greene: Mr. Speaker, as I understand it the position is that a decision was very clearly made by the oil companies to go by the Valdez line and then by the marine route along the west coast markets, but by reason of the delays caused by various governmental agencies in the United States, by environmental groups and others, that decision has not been implemented. All we are doing is exploring the possibilities of a review of that decision and assuring that Canada proceeds as rapidly as possible

to make its scientific, ecological and economic surveys so that we are prepared in this regard.

Mr. Speaker: Order, please. The hon. member for Battleford-Kindersley.

PROPOSED MACKENZIE VALLEY PIPELINE—TYPE OF ORGANIZATION

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I have a question for the Minister of Indian Affairs and Northern Development. In his studies regarding a possible Mackenzie Valley pipeline, is the minister considering a Panarctic type of business vehicle for its installation and operation?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have not yet taken any such decision, since the matter is still under consideration.

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CONSUMER AFFAIRS

QUEBEC—INQUIRY RESPECTING INSPIRATION AND SUCCESS COMPANY

Mr. Pierre De Bané (Matane): Mr. Speaker, I should like to put a question to the Minister of Consumer and Corporate Affairs.

Since hundreds of Quebecers have complained that they have lost money in the operations of the *Inspiration et Succès* company and since the Quebec government has advised the public not to invest in that chain system, can the minister tell the House whether he is investigating the matter?

[*English*]

Is the minister in a position to tell the House and the public whether his officials have any definite ideas on the chain system, from the consumer point of view?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am not familiar with this particular company and will determine the facts from the Minister of Justice of Quebec in order to decide whether it would be appropriate to take action under some federal statute or authority. A number of pyramid-type schemes have been promoted lately, and better business bureaux and federal and provincial departments concerned with consumer affairs have warned those inexperienced in business not to invest money in them without first obtaining advice on what they are getting involved in because some of them do not show any return on an investment.

* * *

EXTERNAL AFFAIRS

PROPOSED AMCHITKA UNDERGROUND NUCLEAR TESTS—REPRESENTATIONS TO UNITED STATES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs concerning the proposed nuclear tests at Amchitka which the House was told the government had protested last February. Can the minister advise whether the United States government has replied to that protest and, if so, can he indicate the nature of the reply?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as the House has been informed, we did send a note to the United States government and a reply has been received. I should like to consult the United States government, however, to determine whether they would be prepared to have their answer tabled. We have told the United States that we are prepared to table our note. If the hon. member could wait for a day or so, I shall consult the United States government and determine whether their reply can also be tabled.

* * *

INDUSTRY

AIRCRAFT—PROVISION OF ORDERS FOR SHORT TAKE-OFF AND LANDING PLANES AS STIMULANT

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Minister of Supply and Services. What is government policy with regard to support for a short take-off and landing aircraft program in order to stimulate the Canadian aircraft industry and provide worldwide business for it?

Hon. James Richardson (Minister of Supply and Services): Mr. Speaker, that policy does not come under the Department of Supply and Services.

Mr. MacLean: A supplementary question, Mr. Speaker. Is it the intention of the government to give orders for this particular type of aircraft on behalf of any department of government in the near future?

Mr. Richardson: Mr. Speaker, the Department of Supply and Services makes purchases when requested by other government departments. We have no orders for aircraft for such a program at the present time.

* * *

NATIONAL CAPITAL

POSSIBLE EXPROPRIATION OF CERTAIN BUILDINGS FACING PARLIAMENT HILL

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question to the Prime Minister concerns reports to the effect that the government of Canada is giving consideration to the expropriation of blocks in uptown Ottawa with a view to assuring the maintenance of the majesty and grandeur of the Parliament buildings and Parliament Hill. Is the Prime Minister in a position to state whether this matter is under consideration and whether commendable forward steps in this direction are being considered?

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it is not yet under consideration at cabinet level, but instruction has been given to the minister responsible to come forth with a plan for the future location of members of Parliament and parliamentary offices in premises which are not now the property of the government of Canada.

Mr. Diefenbaker: Is consideration being given to doing something by arrangement with the city of Ottawa so that large buildings about to be erected adjacent to Parliament Hill will be controlled in some way? If not, Parliament Hill will lose something of the greatness which nature has provided for it. Is consideration being given along that line as well as to the premises to which the right hon. gentleman referred?

Mr. Trudeau: I believe that this is a matter of concern for the National Capital Commission, Mr. Speaker. I must confess that I am not aware of any recent representations along these lines to the authorities of the Ottawa district. I shall gladly convey the representations of the right hon. gentleman, however, to the minister responsible for the National Capital Commission.

* * *

[*Translation*]

UNEMPLOYMENT INSURANCE

PROTESTS RESPECTING NEW PLAN

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Labour.

Could he tell the House whether representations were made to him in protest against the fact that under the new unemployment insurance program, a person who works 12 months of the year will earn less than one who works only 9 months, yet the latter will cost more to the government?

Hon. Bryce Mackasey (Minister of Labour): The answer is no, Mr. Speaker.

* * *

[*English*]

FISHERIES

SUGGESTED BANNING OF FUTURE SEAL HUNTS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. In view of the fact that a bill has been introduced in the United States Congress to ban the killing of sea mammals, including baby seals, and to ban the importation of sealskins into the United States, will the minister, on this last day of the annual seal hunt, consider banning all future slaughter of seals?

[*Later:*]

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, my question is supplementary to an earlier question concerning seals. It is not prompted by any anti-American feeling. Would the minister consider making an official Canadian response to United States Senator Harris of Oklahoma who is actively campaigning against a bona-

fide Canadian industry, and inform him to keep his elongated, American proboscis south of the border and apply his energies to the resolution of their foreign and domestic problems?

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member's question is in the form a recommendation or suggestion which he has to assume will be taken into account.

* * *

[*Translation*]

NATIONAL SECURITY

VIEWS EXPRESSED ON QUEBEC CRISIS IN BOOK BY SECRETARY OF STATE—EFFECT ON CABINET SECRECY

Hon. Martial Asselin (Charlevoix): I should like to put a question to the right hon. Prime Minister.

I refer again to the question I put a while ago to the Secretary of State. Since the latter was a member of the cabinet during the October crisis and as such was aware of certain facts and that, as a result of the War Measures Act trials are now in process, some people have been judged, and others are awaiting their trials, how can the Prime Minister allow a minister to publish a book on such important events without first having read the book to see whether it contains facts that are only known to the cabinet?

Should the Prime Minister not read the book first, to criticize it objectively—

Mr. Speaker: Order. The hon. member has put his question. I think that the House could allow the Prime Minister to answer, but I am under the impression that the question is more in the nature of an argument. At any rate, the Chair does not object to the Prime Minister answering the question.

Right Hon. P. E. Trudeau (Prime Minister): It is an argument based on an assumption, Mr. Speaker, and if hypothetically the minister had indeed violated his oath of office and revealed cabinet secrets, it would obviously constitute an irregularity which should be dealt with.

But as far as I know the assumption is neither verified nor verifiable.

Mr. Asselin: I have a supplementary, Mr. Speaker.

[*English*]

Mr. R. Gordon L. Fairweather (Fundy-Royal): A supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. There are several hon. members who wish to ask supplementaries on this question, the hon. member for Fundy-Royal, the hon. member from Cape Breton and the hon. member for Charlevoix. There are only five minutes left in the question period. It may be unfair to hon. members, but perhaps this matter might be pursued at another time.

Mr. Fairweather: Mr. Speaker, I have been rising constantly to ask a very serious supplementary question.

Mr. Speaker: Order, please.

ATOMIC ENERGY

BRITISH NEWFOUNDLAND CORPORATION PROPOSAL TO DEVELOP URANIUM ENRICHMENT PLANT—CORRESPONDENCE BETWEEN PRIME MINISTER AND MANITOBA PREMIER

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Prime Minister. It refers to the reply he gave yesterday to an inquiry by the hon. member for Annapolis Valley on the apparent interest of Brinco into developing an uranium enrichment plant. The Prime Minister replied that there had been some correspondence on this matter and he had referred it to the appropriate minister. Could the Prime Minister or the appropriate minister say whether they have received correspondence from the province of Manitoba indicating that province's interest in providing certain facilities for the development of such a plant?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, there has been an exchange of letters between the Premier of Manitoba and myself along these lines.

* * *

AGRICULTURE

FARM PRODUCTS MARKETING BILL—SUGGESTED MEETING WITH GROUP FROM WESTERN CANADA

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I direct a question to the Prime Minister. In view of the reply he gave on March 17 when he said he was prepared to meet a small, non-political, representative group of the agricultural industry concerned about Bill C-176, and in view of the difficulty the committee is now experiencing in dealing with that bill, is he still prepared to meet a group that is concerned about the bill?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not believe that the reply I made has been quoted completely in context, but I would prefer to hear Your Honour's decision on the question of privilege raised earlier by the hon. member before indicating whether anything further should be done on this side of the House.

* * *

MANPOWER

AMENDMENT OF REGULATIONS TO EXTEND RETRAINING PERIOD

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. Since under the present rigid regulations governing manpower retraining programs the disappointment and despair of trainees is reaching crisis proportions, would the minister inform the House when he will amend the regulations so that students may take more than 52 weeks to complete their academic training, which under this program has to be completed in less than 52 weeks, in order that trainees may receive training which best suits their needs?

Inquiries of the Ministry

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I would not accept the extreme words of the hon. member. It is possible, of course, for a person to be offered 52 weeks of training and 52 weeks of skill training thereafter. Our emphasis has been on attempting to improve courses within that basic guideline. We are looking at the over-all question of whether we need additional flexibility to deal with special cases, but the emphasis certainly is on improving courses within that time limit.

Mr. Rynard: Ten o'clock, Mr. Speaker.

* * *

WELFARE

CRITICISMS AND RECOMMENDATIONS BY NATIONAL COUNCIL CONCERNING PRACTICES—INQUIRY AS TO STATEMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of certain criticisms and recommendations made by the National Council on Welfare with respect to welfare practices, both federal and provincial, will the minister be making a statement on this matter at an early date so that we can be assured that the recommendations of this body are being taken into consideration?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I examined the observations of the National Council on Welfare. Many of their recommendations are in process of being acted upon in one way or another through consultations which we will be having with the provinces concerning improvements in the Canada Assistance Plan.

* * *

CITIZENSHIP

INQUIRY AS TO REORGANIZATION OF COURTS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the minister responsible for citizenship. Does the government intend to propose a substantial reorganization of the citizenship courts and, if so, will the minister assure the House that at the first opportunity a statement will be made as to the changes proposed?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, if any such changes are proposed they will be announced in the House.

* * *

CONSUMER AFFAIRS

BELL CANADA DEPOSIT REQUIREMENT PRIOR TO PROVISION OF SERVICE—SUGGESTED LEGISLATION TO PROHIBIT PROCEDURE

Mr. Kenneth Robinson (Toronto-Lakeshore): Mr. Speaker, I have a question for the Minister of Consumer

and Corporate Affairs. In view of the fact that the Bell Telephone Company appears to have a policy for its customers that unless they give credit information or pay a deposit of $50 in advance of service, no service will be provided regardless of how long they have been a customer of Bell, will the minister consider bringing in legislation to stop this procedure?

Some hon. Members: Hear, hear!

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I presume that this matter is covered by the Canadian Transport Commission which regulates Bell Canada. However, I will check into it and determine what the facts are.

* * *

[*Translation*]

LABOUR RELATIONS

STE. SCHOLASTIQUE AIRPORT—CONFLICT BETWEEN UNIONS AS TO JURISDICTION

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to direct a question to the Minister of Labour.

Taking into account the present work stoppage at the Ste. Scholastique airport, and the dispute between labour unions to determine whether this work should be performed under federal or provincial jurisdiction, has the minister met the workers involved and is he able to tell us if this matter comes under the Quebec Department of Labour?

[*English*]

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, industrial unrest or dispute in any province is subject to the provincial labour laws of the country, and the dispute in relation to the Ste. Scholastique project is no exception. Our role in the Ste. Scholastique development is simply, when calling for tenders, to include certain basic, fundamental standards as a minimum. We have no role in the dispute that may be going on between the province of Quebec and the contractors.

* * *

POWER

PROPOSED FLOODING OF SKAGIT RIVER VALLEY—APPROVAL BY INTERNATIONAL JOINT COMMISSION OF AGREEMENT FOR COMPENSATION OF CANADIAN INTERESTS

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, may I address a question to the Minister of Energy, Mines and Resources. It concerns a question I asked him on February 26 about the Skagit Valley and the approval of the International Joint Commission. The minister said that he would take the question as notice and make inquiries. Has he a reply?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I understand that a reply will be forthcoming. The administrative section responsible for that matter has moved from my department. I recently had word from them that they are obtaining an answer. However, they are not under my immediate jurisdiction at present. I will see if I can expedite their answer.

* * *

[*Translation*]

MANPOWER

ALLEGED SUSPENSION OF RETRAINING COURSES DURING SUMMER

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the Minister of Manpower and Immigration.

We have been informed that manpower retraining courses will be completely suspended during the summer, and that this is the result of a study by his department. Is the minister able to tell us if there is such a study, and if so, will he be able to make a statement soon on motions?

[*English*]

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I shall inquire further from the hon. member as to which studies he is referring to and perhaps investigate the matter that he has raised.

* * *

NATIONAL SECURITY

REPEAL OF PUBLIC ORDER (TEMPORARY MEASURES) ACT BEFORE EXPIRY

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a supplementary question for the Minister of Justice on the issue of cabinet congeniality. Now that the political situation in Quebec has apparently stabilized to the extent that ministers can write confessions on the subject of the alleged insurrection, will the minister arrange to have the Public Order (Temporary Measures) Act repealed before its expiry date of April 30?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I do not want to comment on the preamble to that question.

Some hon. Members: Oh, oh!

An hon. Member: Will the minister be writing a book?

Mr. Turner (Ottawa-Carleton): We are reviewing the facts in relation to that Act.

* * *

MANPOWER

OPPORTUNITIES FOR YOUTH PROGRAM—DESIGNATION OF QUOTAS FOR PROVINCES WHERE INFORMATION NOT YET SUPPLIED

Mr. Jack Marshall (Humber St. George's-St. Barbe): Mr. Speaker, I wish to direct my question to the Minister of Manpower and Immigration. In view of the fact that information on the Opportunities for Youth program has not yet reached some Manpower offices, specifically in

Newfoundland where unemployment is at its highest, will the minister ensure that quotas are put aside for those provinces so affected because of receiving the information late?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I will look into the question of why the forms have not arrived, and also discuss the matter raised by the hon. member, with my colleague the Secretary of State.

* * *

NATIONAL SECURITY

REQUEST FOR STATEMENT ON REASONS FOR INVOKING WAR MEASURES ACT

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I wish to direct a question to the Prime Minister. In view of the fact it is alleged that the Secretary of State is now questioning the credibility of the government in dealing with the Quebec situation, and also the invocation of the War Measures Act, will the Prime Minister now take this matter into consideration and report to the House tomorrow in order that we can understand and be apprised of the attitude of the government in this whole matter?

Right Hon. P. E. Trudeau (Prime Minister): The hon. member's question is based on an earlier question of his leader, which was apparently based on a press report that was false. Therefore the whole premise of this question falls to the ground. I suggest that some members read the book.

Mr. Speaker: Order, please. The question period has expired. I have taken note of hon. members who have exercised patience. I did the same yesterday. I think I have been true to my word and have given preference to hon. members who did not have an opportunity to ask their questions yesterday. The Chair will follow the same practice tomorrow.

[*Translation*]

Mr. Asselin: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for Charlevoix on a point of order.

Mr. Asselin: Mr. Speaker, during the question period, the Prime Minister indicated that he had not seen the book written by the Secretary of State on the October crisis, and that according to his information, this book made no reference to the secret of the cabinet.

Can the right hon. gentleman assure the House—and this is the gist of my question of privilege—that he will ask the Secretary of State not to publish this book until he can look at it himself, to see—

Mr. Speaker: Order. I invite the hon. member to resume his seat. There is obviously no question of privilege. The hon. member's question has nothing to do with parliamentary privilege, and I must make a decision accordingly.

GOVERNMENT ORDERS

[*English*]

YOUNG OFFENDERS ACT

PROVISIONS REGARDING CHILDREN AND YOUNG PERSONS

The House resumed, from Tuesday, March 23, consideration of the motion of Mr. Goyer that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read the second time and referred to the Standing Committee on Justice and Legal Affairs; and the amendment thereto of Mr. Woolliams (page 2381).

Mr. Speaker: Pursuant to special order made on Tuesday, March 23, the House will now revert to the deferred division on the proposed amendment to Bill C-192. Call in the members.

The House divided on the amendment (Mr. Woolliams) which was negatived on the following division:

YEAS

Messrs:

Alexander
Alkenbrack
Barnett
Beaudoin
Bell
Benjamin
Burton
Caouette
Coates
Code
Comeau
Danforth
Diefenbaker
Dinsdale
Dionne
Douglas
Downey
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Grills
Hales
Harding
Horner
Howe
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCleave
McCutcheon
McIntosh
McKinley
McQuaid
Marshall
Mather
Matte
Mazankowski
Monteith
Moore
Murta
Nesbitt
Nielsen
Noble
Nystrom
Orlikow
Peddle
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Rowland
Rynard
Saltsman
Schumacher
Scott
Simpson
Skoberg
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thomson (Battleford-Kindersley)
Valade
Winch
Yewchuk—84.

Division

NAYS

Messrs:

Allmand
Anderson
Badanai
Barrett
Basford
Béchard
Beer
Blair
Blouin
Boulanger
Breau
Brown
Buchanan
Caccia
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corbin
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
Deachman
Drury
Dubé
Dupras
Duquet
Émard
Éthier
Faulkner
Forest
Forget
Francis
Gendron
Gervais
Gibson
Gillespie
Givens
Goyer
Gray
Greene
Guay (St. Boniface)
Guilbault
Haidasz
Harries
Hellyer
Howard
(Okanagan Boundary)
Hymmen
Jamieson
Kierans
Lachance
Laflamme
Laing
(Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Lessard (LaSalle)
Lessard
(Lac-Saint-Jean)
Lind
MacEachen
MacGuigan
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand
(Kamloops-Cariboo)
Morison
Munro
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Penner
Pepin
Perrault
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Serré
Sharp
Smerchanski
Smith (Saint-Jean)
Stafford
Stanbury
Stewart
(Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas
(Maisonneuve-Rosemont)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Weatherhead
Whelan
Yanakis—116.

• (3:40 p.m.)

Mr. Speaker: I declare the amendment lost.

• (3:50 p.m.)

Mr. John Gilbert (Broadview): Mr. Speaker, on November 16, 1970, Bill C-192 was introduced for the first time, and now after waiting for five months the hon. member for Sarnia-Lambton (Mr. Cullen) has finally found an organization supporting this bill, namely, the Canadian Bar Association. Five months is a long time to wait, and the Canadian Bar Association is the only body, as far as I know, which has approved this bill. They approved the bill in general and its philosophy in particular. Then they indicated to the Solicitor General (Mr. Goyer) that it is the responsibility of the federal government to build training schools.

[Mr. Speaker.]

They made 14 recommendations with regard to changes to the bill. Among those 14 suggestions they referred to the title, uniformity of age, the right to legal counsel, bail, no obligation to admit the substance of the offence by the accused, review of a finding of insanity by the judge, from time to time, and recommended that fingerprinting be deleted. Those are only seven of the 14 recommendations that they made. Even though they supported the bill, they underlined the reasons why organizations across the country and many persons in various professional fields have opposed the legislation.

You will recall, Mr. Speaker, that when I spoke on the amendment to this measure I said that the bill in substance was punitive and retrogressive and that it was not in tune with the concept of a just society or the principles of the modern treatment of young people with anti-social behaviour problems. This afternoon I should like to take a historical and comparative approach to the problem of the young people in Canada. It sets itself into four stages. First, we have the Juvenile Delinquents Act of 1929. We have the report of the Department of Justice Committee on Juvenile Delinquency of 1961, which reported in 1966. We have the third stage, the federal-provincial conference in September of 1967 where officials of the Department of the Solicitor General and of different departments, both in the federal and provincial field, met. Then we have the fourth and final stage, the Young Offenders Act which was introduced in November of 1970.

First, I should like to deal with the Juvenile Delinquents Act as it first came into force in 1929. It sets forth a philosophy according to which an attempt is made to protect juvenile offenders from the stigma and the punitive approach of the criminal law and to provide them with mature understanding, guidance, discipline and support. The legislation directs itself in three basic ways. It attempts to remove young people from the jurisdiction of the adult courts and place them under the jurisdiction of specialized juvenile courts. Second, it establishes that trials of juveniles should be held free of publicity and in a manner which is informal yet consistent with the proper administration of justice. Third, it provides for reformative sentencing and is focused primarily on the welfare of the individual offender. Section 38 of the Juvenile Delinquents Act sets forth the philosophy clearly and boldly by stating as follows:

> This act shall be liberally construed to the end that its purpose may be carried out, namely, that the care and custody and discipline of a juvenile delinquent shall approximate as nearly as may be that which should be given by its parents, and that as far as practicable every juvenile delinquent shall be treated, not as a criminal, but as a misdirected and misguided child, and one needing aid, encouragement, help and assistance.

Section 3 (2) of the act refers to how a child should be dealt with. It states:

> Where a child is adjudged to have committed a delinquency he shall be dealt with not as an offender, but as one in a condition of delinquency and therefore requiring help and guidance and proper supervision.

Section 20 deals with the treatment of a child. It states that if the youngster is adjudged to be a juvenile delinquent, the case should be disposed of in one of many ways. First, he should be given a suspended sentence. Second, the hearing should be adjourned or there should be a disposition of the case from time to time for any definite or indefinite period. Third, a fine should be imposed not exceeding $25, which may be paid in periodical amounts or otherwise. Fourth, the child should be committed to the care or custody of a probation officer or of any other suitable person. Fifth, the child should be allowed to remain in its home, subject to the visitation of a probation officer, such child to report to the court or to the probation officer as often as may be required. Sixth, the child should be placed in a suitable family home as a foster home, subject to the friendly supervision of a probation officer and the further order of the court. Seventh, such further or other conditions should be imposed upon the delinquent as may be deemed advisable. Eighth, the child should be committed to the charge of any Children's Aid Society and, ninth, the child should be committed to an industrial school.

It is rather striking that the final disposition is with regard to an industrial school and that it is listed last. In section 20(5) with regard to the treatment and disposition of juvenile delinquents it is stated that the child's own good is paramount. It provides:

> The action taken shall, in every case, be that which the court is of opinion the child's own good and the best interests of the community require.

We have had that act since 1929, and it had its shortcomings. One of the shortcomings was that it was possible to prosecute a youngster seven years of age and in some cases to commit him to a training school. Probably the definition of delinquency was too wide because it included breaches of municipal, provincial or federal statutes. Some of the sentences were punitive. Also, there appeared to be a lack of community resources to implement the treatment of anti-social youngsters.

The greatest deficiency was probably with regard to Indian and Eskimo children and children living in rural areas. The final shortcoming was that it tended to stigmatize a juvenile delinquent as a junior criminal. They tagged him and then awaited his elevation to an adult criminal. It is very striking that many studies show that there is a close relationship between a youngster who has been adjudged a juvenile delinquent and later becomes an adult criminal. That is the first stage with regard to this particular problem.

In 1961, as a result of some of the shortcomings of the Juvenile Delinquents Act, the Justice Committee on Juvenile Delinquency was appointed. It had five members representing four divisions of the Department of Justice. I should like to set them forth: the first was the criminal law section, second the RCMP, third the penitentiaries branch and, forth, the parole division. They commenced hearings in 1961 and tabled their report in February of 1966.

• (4:00 p.m.)

The way in which the committee prefaced its remarks is striking when we see they say that the inquiry took much longer to conclude than was anticipated at the beginning, since none of the committee members had worked in the juvenile field. They say they were not entirely aware of the complexity of the problem. There were no juvenile court judges, no psychiatrists, no psychologists, no sociologists, no probation officers, no representatives from training schools, no social workers and no representatives from the Children's Aid Society or from foster homes. It was really a select committee of the Department of Justice representing four areas in respect of treatment.

Regardless of that, the committee set forth 100 recommendations many of which are excellent and were well received by various institutions across the country. First of all, they drew up a draft bill entitled the Children and Young Persons Act. Second, and this is important, they included a clause which set forth the philosophy that should be embraced in this bill. I will read the philosophy set forth in the draft bill. It is as follows:

> Where a child or young person has been adjudged a violator, a child offender, or a young offender, as the case may be, he shall be dealt with not in a punitive manner, but as a child or young person requiring help and guidance and proper supervision.

The next clause states:

> This act shall be liberally construed to the end that its purpose may be carried out, namely, that the care and custody and discipline of a child or young person adjudged to be a violator, a child offender or a young offender shall approximate as nearly as may be that which should be given by its parents, and that, as far as practicable, every such child or young person shall be treated not as a criminal, but as a misdirected and misguided child, and one needing aid, encouragement, help and assistance.

It is obvious that the clauses in the draft bill were an adaptation of the particular sections in the Juvenile Delinquents Act as set forth in sections 38 and 3(2). In the notes included in the draft bill we find these words:

> We agree with the philosophy expressed in section 38 of the act. The difficulty has not been in the basic philosophy of the act but in the failure of society to give to the juvenile court adequate resources with which to fulfil the aims of that philosophy.

Mr. Speaker, it is very important to keep that in mind as we study this bill. The draft bill incorporates many of the recommendations, in fact most of the recommendations, and even though it was in legalistic language it met with the approval of many people, at least in respect of the recommendations made. The next step was the federal-provincial conference of officials of the Department of the Solicitor General as well as representatives of the departments of the provincial Attorneys General and of correction departments. This was held in December 1967. Differences must have arisen. The Solicitor

General admitted this in his speech when in opening the debate, as recorded at page 2370 of *Hansard,* he said:

> —unanimity could not be achieved on all the proposed reforms, and some compromise solutions had to be adopted in order to win approval by a majority of the delegates. Consequently ... the bill which I am submitting ... for second reading is certainly not perfect.

The words "Consequently the bill I am submitting for second reading is certainly not perfect" are absolutely true. This has been shown by the opposition which has been forthcoming from organizations and experienced persons across the country. I cast no reflection on the Solicitor General but serious reflection on the senior officials of his department. They watered down and restricted many of the recommendations; they failed to adhere to the philosophy set forth in the bill drafted by the justice committee and introduced a bill which is retrogressive and punitive.

If the Canadian Bar Association can set forth 14 areas of disagreement, I respectfully suggest that there are at least 10 areas in which we can demonstrate the inadequacy of this bill. Clause 4 of Bill C-192, the young offenders bill, provides:

> This act shall be liberally construed to the end that where a young person is found under section 29 to have committed an offence, he will be dealt with as a misdirected and misguided young person requiring help, guidance, encouragement, treatment and supervision and to the end that the care, custody and discipline of that young person will approximate as nearly as may be that which should be given by such a young person's parents.

It is obvious that these words again have been taken from section 38 and section 3(2) of the Juvenile Delinquents Act, with two major exceptions. Those two major exceptions as set forth in the Juvenile Delinquents Act are, first, that the young person shall not be treated as a criminal and, second, that he shall not be treated as an offender. The Justice Committee in its report states that the young person shall not be treated in a punitive manner and shall not be treated as a criminal.

That philosophy or attitude of not treating a young person as a criminal, as an offender or in a punitive manner is totally absent from clause 4 of this bill. This is where there is a sharp conflict in respect of the philosophy, because it seems to me the Solicitor General is not stressing the philosophy and attitude which should be taken toward young people and is placing the major emphasis on the arbitrariness which he and his officials feel young people may have objected to under the previous act. That is the first point in respect of the philosophy.

The second point has to do with the title. It is now called the Young Offenders Act. It is striking to note that in the French version it is "Loi sur les jeunes délinquants". In other words, there is almost a direct reference to juvenile delinquents in the French version. The justice committee recommended the title of Children and Young Persons Act. In other words, they did not want to stigmatize a young person as an offender in the same way young people were stigmatized as juvenile delinquents. That is very important.

The third area is that the justice committee in its report dealt with the informal disposition of cases without the necessity of formal trial where the police clearly indicate the commission of the offence, where the substance of the charge is admitted by the child and where the express consent of the parent is obtained. Bill C-192 restricts these cases to those not involving infliction or risk of serious bodily harm and allows the Attorney General to exercise a veto over such procedures within a period of time. This is totally absent from the report of the justice committee. In the past, juvenile courts have had the power to dispose of cases without the laying of a formal charge. Therefore, by restricting this type of disposition to cases that do not involve infliction of serious bodily harm there is a further restriction, rather than an expansion, under the terms of this bill.

• (4:10 p.m.)

The fourth area deals with convictions. The draft bill drawn up by the justice committee not only said that a criminal conviction should not be used or considered with regard to a second criminal offence, but that it should not apply to other subjects and disciplines. In other words, it said not only was it necessary to prevent the use of criminal conviction in a subsequent hearing, but it was necessary to prevent its use whenever a young person applied for employment. Clause 71 of Bill C-192 confines this restriction to prohibition on a conviction being used in subsequent criminal proceedings, but says nothing about the other disabilities which may be imposed on a young person. In other words, there is no attempt to protect young people against discrimination as a result of past convictions, when they seek employment.

In the fifth area, Mr. Speaker, the justice committee recommended that the law guardian system in operation in New York should be applied. In other words, a public defender could be obtained by a young man charged under the terms of the bill. But the bill itself has made no provision for legal counsel as a right of the accused. His right to counsel is placed within the discretion of the juvenile court judge. In a bill that is so complex and technical, compared with the succinct, clear wording of the Juvenile Delinquents Act, I am amazed that the guarantee of legal counsel, recommended by the justice committee, has not been spelled out in clear terms.

With regard to commitment to training schools, the justice committee recommended that commitment to a training school should only be a last resort and only for a period not longer than three years. It said no commitment should be made unless the judge first considered a pre-sentence report and, secondly, after every effort had been made to train the child in his own home, in a foster home or other shelter. In this bill the requirement that commitment be made only after all efforts are made to train the youngster in his own home, a foster home or group home is missing.

Is it not striking, Mr. Speaker, that in the Juvenile Delinquents Act passed in 1929, section 25 stipulated that a condition precedent to commitment should be that all efforts were first made to reform the child in his own

home or foster home, etc? It is obvious that with respect to commitment, the provision in this bill is a retrogressive step. It is not in keeping with the Juvenile Delinquents Act or with the report of the justice committee.

The seventh ground is that clause 30(1)(h) sets forth that where one is liable to the death sentence or life imprisonment as the result of conviction, a young person shall be directed to a training school for a period of three years, after which it is within the discretion of the judge to return the child to an adult court for sentencing. This has been rightly called double jeopardy with regard to sentencing. Mr. Speaker, I ask you, or the Solicitor General to point out any criminal code in the western world that contains a provision with regard to double jeopardy in sentencing. That is not worthy of a country like Canada which is attempting, in its shabby way, to bring forth a just society.

It is not worthy that the report of the justice committee did not contain any recommendation with regard to double sentencing. Members of the committee were aware of the risks that might result from releasing a young person after three years' treatment in a training school but, if I read their report correctly, they were prepared to take the risk of reforming and rehabilitating a young man within three years, rather than accept the possible detrimental effects of long-term confinement. They were prepared to accept the risk of a young man returning to society after three years, despite the possibility of recidivism, rather than the result of long-term confinement.

An eighth area is that involving fingerprinting. Clause 74(1) of the bill provides that a young person may be fingerprinted if a juvenile court judge orders it to be done. Again, it is rather striking that the justice committee made no recommendation with regard to fingerprinting. Therefore, it is reasonable to infer that they saw no merit in it.

A ninth area covers the transfer of young offenders to adult institutions. Clause 47 permits a judge, on application by the superintendent of a training school, to transfer a child to an adult institution if he deems this to be in the best interests of the young person or of the other inmates of the training school. What a contrast this is to the Juvenile Delinquents Act! Section 26 of that act, passed away back in 1929, said that no transfer whatever should be permitted, under any circumstances, of a juvenile delinquent to an adult institution. People in those days realized that sending young offenders to adult institutions was only giving them an opportunity to meet adult criminals and to adopt their ways and thinking. In that respect this bill is a step backward.

My tenth and final ground is that this bill has set the minimum age as ten years at which a child can come under the jurisdiction of a juvenile court. This is a slight improvement over the Juvenile Delinquents Act which set the age at seven years. Yet the government has opted to continue the use of quasi-judicial procedures and sanctions to control the anti-social behaviour of young children. This is done at a time when the approach is toward the integration of delinquency and child welfare services, fostered and partly financed by the Canada Assistance Plan.

It is done at a time when England, Scotland and the Scandinavian countries have restricted or abolished the adversary system in juvenile court prosecutions. May I give an example. The Children and Young Persons Act passed in England in 1969 stipulated that with the exception of homicide there are to be no criminal prosecutions of young people under the age of 14 years. Compare that with the age of ten years stipulated in this bill. They state that young people shall be treated informally through agencies or formally in juvenile courts when children are apparently beyond control or in need of protection. For young people from 14 to 17 years of age, prosecutions are only allowed for serious offences laid by qualified informants, and they are prohibited where the case can be dealt with by caution or counselling or by means of child protection proceedings.

• (4:20 p.m.)

That is in England, Mr. Speaker. In Scotland they have gone much further. In the Social Work (Scotland) Act of 1968 they say that there shall be no prosecution of children under 16 years of age except on instruction of the Lord Advocate. They set up a panel system of three persons trained in social work. They deal with their young people by having them appear before the panel, which disposes of each case with rehabilitation and reformation as the foremost considerations.

It is obvious that in England, Scotland and the Scandinavian countries there has been a shift from the quasi-criminal process and adversary system to one which ensures provision of adequate social control. I ask the Solicitor General, why can we not have the same approach in Canada? Surely the provinces could take care of young people up to 16 years of age, with the financial assistance of the federal government for building training schools and providing resources to help and guide them. No young person should be stigmatized either as a young offender or a criminal when he is under 16.

The federal government should take the initiative with regard to young people between the ages of 16 and 21, because that is the crucial age. We should do all we can to prevent this stigma and the imposition of a criminal record on those between the ages of 16 and 21. This would be an enlightened approach and I think we should give it our full attention. It is not enough to protect a young person from the arbitrariness of a court. We have to develop a social philosophy with adequate resources and people to meet this problem. That is why I am moving the following amendment, Mr. Speaker:

> That this bill be not now read a second time but that this House affirms that young persons should not be treated as criminals and that the principle of flexibility of treatment of young persons should be emphasized rather than the legal technicalities of the criminal law.

If we are to make any progress with regard to having our young people become Canadians of whom we can be proud, we have to develop institutions which will implement social policies for reform and rehabilitation rather

than institutions which are retrogressive and punitive with regard to treatment. I hope the Solicitor General will take this amendment into consideration and withdraw the bill. I hope he will appoint a group of serious men to study this problem, men from all walks of life rather than those from a limited area. The problem should be studied in all its aspects, and consultations held with organizations and institutions across the country. Perhaps the group could go to England, Scotland and Scandinavia to study their schemes and then bring in a bill of which all Canadians could be proud.

Mr. Speaker: I am not sure whether hon. members are satisfied with the form of the amendment. At first glance, from the point of view of the Chair it appears that this is a regular, reasoned amendment. Unless objections are taken to it from a procedural standpoint, the amendment will be considered as having been put to the House.

Mr. Knowles (Winnipeg North Centre): Carried.

Some hon. Members: No.

Mr. Erik Nielsen (Yukon): Mr. Speaker, under this legislation, Bill C-192, it is proposed to discontinue the use of the terms "delinquency" and "delinquent" and substitute a somewhat more complex classification by the use of the terms "violation", "offence", "violators" and "offenders". I feel that legislation dealing with young persons should not be unduly complex and should be readily understood by parent and child alike. To discontinue use of the term "delinquency" would indicate a desire motivated in part to get rid of the existing stigma associated with it. It is my belief that a change in terminology will not resolve the problem; it is basically a matter of better education. I intend to use the term "delinquency" throughout my remarks as being the closest description of the subject matter of the bill.

It has been said that delinquency, whether juvenile or adult, is nothing more than a by-product or an expression of the system of values maintained by society as a whole. In this connection we should remember that the children who appear before juvenile courts constitute but a small fraction of the total juvenile population who are delinquent in one way or another. Who or what is to blame for juvenile delinquency? I do not know the answer but I can point out some opinions that have received varying degrees of support. It has been said that children become delinquent because they model their behaviour after delinquent adults.

Mr. Dinsdale: Hear, hear!

Mr. Nielsen: This does not mean that there is an imitation of any particular person or individual but, rather, the growing child draws fragments of his model from various sources, that is, through imitation of individuals or groups who serve as models for his behaviour. Another aspect of this approach points up the prevalence in our society of values that tend to promote delinquency. It is said that as adults we are strongly individualistic, fiercely competitive, that we are childishly imitative and, above all, materialistic and that these aspects of our society all stress, in their achievement, some disregard for the welfare and the rights of other persons.

We tend to become more and more a nation of transients, and the continual movement of families from place to place can be especially difficult for growing children who must face a series of adjustments and readjustments. We are becoming more and more city dwellers rather than rural dwellers. We become more and more industrialized. As a result it is said that the large family, with the mutual dependence of its members upon each other, is passing from the scene. The thought is, I suppose, that the greater the sense of independence on the part of a young person, the more readily will he exercise that independence by flying in the face of accepted standards of conduct.

• (4:30 p.m.)

The mass communication media, television, radio, the press and motion pictures, are often seized upon as the primary culprits in promoting juvenile delinquency. Some people think that television, for example, may have some effect upon the way in which a young person commits an offence but that it has no effect in bringing about the state of mind in which he decides to commit it. Certain studies which have been conducted in the United States have purported to show that scientific investigation has failed to find any scientific proof of any major or general influence of crime, violence and horror shows on delinquent behaviour. At the same time, however, there is equally no proof that such programs do not have any connection or influence.

We all know how highly prized the television medium is by the advertiser—and by the politician, for that matter—to promote the sale of his product, and by many teachers as an aid to the education of children. If television is effective for advertising and teaching purposes in relation to young people, it must seem indeed to be a paradox that its horror, crime and violence content should not influence the mind of the child.

Some observers believe that a prominent cause of delinquency in the young stems from the emancipation of women. Of course, we all know that men are inclined to attribute most of the world's ills to this sociological development. These particular commentators are gallant enough to say that when the mother goes out to work in a planned and properly organized way, no harm is done; but when her working schedule is thoughtless and unplanned, the result may well lead to a substantial degree of insecurity and neglect in relation to her children.

Finally, in relation to the causes of juvenile delinquency there are some who take the fatalistic point of view that since the beginning of human existence on this planet the older generation has been critical of the behaviour of the younger generation. It is said that this chasm between the adult world and the youthful world is perennial and persisting and that although today, in essence, it is no different than it has been in the past, nevertheless at the present time the chasm is much more sharply defined and much more in evidence than ever

before. I am not overly familiar with conditions that exist in jurisdictions in the southern provinces, but I can say that in the Yukon the incidence of juvenile offences has increased dramatically. Nowhere is the gap more evident between law enforcement agencies and young people in our society at the moment than in the jurisdiction I represent.

How great a problem do we have with juvenile delinquency in Canada? It is curious that notwithstanding the tremendous interest and, indeed, even concern on the part of the public over delinquency, most people when questioned about the extent of the local problem hasten to assure the questioner that they do not really have a problem in their community. Generally they will point to the nearest large industrial city and indicate that the delinquency problem may exist there, but "not in our town". Our experience in Canada seems to correspond with that of an American observer who commented on the fact that a peculiar characteristic of the half million youngsters who are reported annually in the courts of the United States is their anonymity in the eyes of the general public. He said that they seem never to have names, faces or local addresses.

We have some information on the nature of the problem. We know that nine out of ten juveniles who are found guilty by the juvenile courts are students, and that two out of three are in grade 6, 7, 8 or 9. A high proportion of them are one year or more behind the average grade for their age. Eight out of 10 are between 12 and 15 years of age. That fact puts me in mind of the provision in the bill respecting the arrest, apprehension and detention of young persons. It also puts me in mind of a case current in my jurisdiction involving a 15-year old who has been charged with murder. For three months that 15-year old was kept in a correctional institution utilized for the detention of adult convicts.

There are no facilities in my jurisdiction for the detention of young persons. Perhaps the Solicitor General (Mr. Goyer) will take that into consideration, because I think that this lack has a chain-like ramification, right down the line, with respect to the treatment of young offenders. For instance, there were no facilities for the detention of this youngster who was charged with murder, and as a result he had to be kept in an institution for the detention of adult convicts. Because of that the Crown had to apply to have his case transferred to the adult courts. It was not until the territorial administration relented and undertook to provide for the custody and detention of this youngster that he was placed where he is now, in the detention home for young offenders recently established in my jurisdiction.

We know, Sir, that the rate of juvenile delinquency is increasing at a faster pace than is the general population. The increase—these statistics I have simply selected for the purpose of random comparison—between 1957 and 1961 should cause us to reflect. Between those years covering a five-year span the number of juvenile convictions for breaking and entering increased by 70 per cent. The number of convictions for theft and similar offences also increased by 70 per cent. Two out of three of the offences for which juveniles are convicted in Canada in juvenile court involve breaking and entering, theft or possession of stolen property.

If there is one thing we can say with assurance about juvenile delinquency, it is that it is not a new problem. The Greek scholars were concerned about it in their time, just as we are in ours. But I think we must be careful not to fall prey to the idea that juvenile delinquency has always been with us and that we are bound to have more of it as our population grows. That, again, is too much like a purely statistical approach. It can lead too easily to an attitude bordering on fatalism. If we accept the proposition that we are bound to have more juvenile delinquency, and sit back and wait for it to come, I suggest that the only result will be that we will have a lot more of it than we expect.

It is, of course, a difficult problem. It requires co-ordination and constant effort. But something can be done about it. The introduction of a procedure and the erection of a technical structure for dealing with youthful offenders as set out in Bill C-192 will not be sufficient. While constitutional responsibility in fields like this is divided among the various levels of government, the federal government can at least use its resources as the national government to assist in solving the problem on a nation wide basis. Bill C-192 certainly will not solve the problem because it fails to strike at its roots.

Another aspect of the over-all problem is the co-ordination of efforts of municipal and provincial police forces with the Royal Canadian Mounted Police in an effort to prevent syndicated, organized crime from moving into Canada. The gambling, narcotics and prostitution rackets engaged in by those organizations can provide a fertile breeding ground for delinquency, as indeed has been happening. One of the suggestions that has been made, for instance, is that a program for teachers be instituted in the provinces in order to enable teachers to detect signs of delinquency and to equip them to deal with it.

Nowhere is information more woefully inadequate with respect to the implementation of this kind of program than in the field of narcotics. If the true statistics were known in this connection, they would stagger the imaginations of even the most lassitudinous and complacent members of the adult world. In my jurisdiction the situation has now reached the stage where a young person only has to decide whether he or she will use narcotics and they will be available if the decision is made to use them. This does not apply only to the older generation; it applies both to high schools and elementary schools, right down to children who are 12 years old.

• (4:40 p.m.)

I have had personal experience with a young girl aged 12 who was not using mild drugs but hard drugs. Of course, the habit costs money. It breeds the crimes of breaking and entering and theft to support the habit. This is the kind of program, similar to the one announced by the Minister of National Health and Welfare (Mr. Munro) a short while ago, that requires to be implemented in conjunction with legislation like Bill C-192. The program announced by the Minister of

National Health and Welfare with respect to the setting up and support of organizations which will deal effectively with the roots of the problem that makes Bill C-192 necessary is indeed welcome in my own constituency. Included in the problem is the abuse of non-medical drugs and narcotics.

It is also felt that the still high percentage of early dropouts from school is one of the contributing factors of juvenile delinquency. This, of course, raises a problem. It is one which the provinces have been grappling with and, I believe, making some progress on for many years, namely, of ensuring that in addition to opportunities for academic training, youngsters should also have an opportunity to develop other abilities and skills if they are more suited for them. The federal government, under the technical and vocational training assistance legislation, has now under way 160 to 170 vocational and technical schools in Canada. It may well be that this program, in addition to its value from the economic point of view, can also be used as an instrument in the fight against juvenile delinquency. Before that becomes possible a teacher and educational training program must be implemented.

I would mention at this point that there is a necessity for professionally trained people in our communities, to deal with young people. I know that the shortage of probation officers is one factor that has been mentioned in hearings before the committee. In my jurisdiction, the lack of probation services and professionally trained persons to deal with young people is unbelievably and woefully inadequate. The state of New York, with a population of 18 million, has some 1,600 probation officers, while Canada has less than 300 people engaged full time in this work. The proper case load is considered to be 35 boys or 25 girls per case worker. It has been estimated that here the load is 180 or more per case worker.

Juvenile delinquency has been blamed on the lack of parental control, lack of schooling, poverty, our environment, our society, our lack of faith and our materialism. The truth, of course, is that the fault can be laid on any or none of these things. If we could find the answer, the complete answer, then we could perhaps effect the complete cure. There is no simple answer. It is a complex problem brought about by numerous causes both psychological and sociological. Just as there is no one simple and uncomplicated child, there is no one simple, uncomplicated solution. This is why in this particular field the more knowledge, understanding, humanity and money that can be brought to bear on the entire field of the activities of youth, the better will be our society. This is one field where the community must work as a whole.

Because the Minister of National Health and Welfare is in the House I wish to mention that there is one such organization wherein the community is working as a whole. The adult establishment is working hand in hand with the younger element in that community, some of whom have been on the narcotic scene and some of whom have not yet been on the narcotic scene. We all welcome the announced program of several million dollars to be used for the purpose of fighting the evil perpetuation of the younger elements of our society falling into a pattern of regular use of narcotics. It is a field which cannot be swept clean by the cleansing fury of any one individual. There are many Canadians who are not only aware of the problem and the steps which must be taken to combat it but who are taking these steps. Here I refer to the splendid work being done by organizations such as the scouts, guides, the YMCA, YWCA, the many boys clubs and the religious youth groups which are all playing their part.

I would like to emphasize that the fight against juvenile delinquency lies with every part of society. I believe it is vitally important in this field that every action be governed by unity. The federal government can play a leading role in providing the leadership that is necessary if there is to be united action by the provinces and territories of this country. There are other fields in which one specialist profession can do great work. Organizations dedicated to the elimination of a disease or an affliction have clearly recognizable objects and aims. No matter how arduous their task, they are at least fully conscious of their enemy and can bend the whole energy of their organization toward its destruction.

In juvenile delinquency we have a problem as recurring and shifting as any which has ever faced society. There seems to be no permanent cure and no ultimate solution. Where there is youth, there will always be found the problems of youth. In tackling these problems, the only effective approach is the unified one in which every member of society realizes the problem and, more important, takes part in combating it. It is not a battle which can be won by a series of sanctimonious lectures nor by harsh, primitive methods in the courts. Nor will it be won by pampering and weakness. It can only be won if first of all the extent and nature of the complaint is fully exposed and then tackled by comprehensive and co-ordinated measures.

Before concluding my remarks, Mr. Speaker, I wish to say a few words about the woeful lack of services available to the poorer sections of our populations, particularly to Indian people. The greatest majority of youthful offenders who appear before the courts in my jurisdiction are full-blooded Indian or Métis young people.

Mr. Dinsdale: It is the same in other parts of the country.

Mr. Nielsen: As the hon. member for Brandon-Souris (Mr. Dinsdale) has pointed out, it is the same in other parts of the country; yet legal aid facilities are not available to these young people or their parents. They often appear in court alone because their parents are out of the country or for other reasons cannot be found; and there, in a strange atmosphere, a foreign milieu, they are confronted with accusations of crime, not knowing what to do, what to say or in which direction to turn.

• (4:50 p.m.)

The same deficiency appears in the bill before us as appeared in the previous legislation. Too often, police officers apprehending young offenders embark upon a series of questions and inquiries in the absence of either the parents or other responsible adults. I am not dis-

paraging the fine work of police forces such as the RCMP; nevertheless, I deplore the investigative techniques employed by law enforcement officers who, having apprehended a young person defined as a juvenile under the act, embark upon a course of investigation in the absence of a parent.

Sometimes investigating officers will wait until after such an interrogation has taken place before notifying the parent or guardian of the young person's apprehension. Again, particularly in the case of a first offender, the young person is confronted with a foreign atmosphere in the police station. He is under a cloud of fear, perhaps under a misconception that he is required by law to answer questions. He is not informed whether or not at this stage he is entitled to counsel. He is not told his parents are being notified.

I am not suggesting this is done in every instance, but these abuses have occurred on too many occasions. I have even had experience of one case where four young people were apprehended on a narcotics charge. Among them were persons who could be defined as juveniles under this proposed legislation and under existing legislation. They were stripped to the skin and searched bodily, and their clothing was also seached, before their parents were notified. The Solicitor General and the Minister of Justice (Mr. Turner) could help to avoid this kind of thing happening in the future by issuing specific instructions. I remind hon. members in this connection that the Solicitor General is specifically responsible for the RCMP and that the Minister of Justice is the Attorney General for both the northern territories. A specific instruction is all that would be required to prevent this kind of abuse in the future.

My last observation on the bill at this stage concerns the choice of judicial officers to deal with youthful offences. We all know that the federal government appoints judges by and large on the basis of whether the potential appointee has been a faithful adherent of the political party which finds itself in power and makes the appointment. This is deplorable enough in relation to the appointment of superior court judges, but I certainly do not believe this course should be followed in the appointment of judiciary officials charged with responsibility for dealing with youthful offenders. He or she must bring something more to their work than legal training.

What is required above everything is an understanding of youth and the problems of youth. There is enough of a chasm between the adult establishment and the youth of our country without widening it still further by placing political appointees, who might otherwise not be well-qualified for this particular task, on the judicial bench to deal with young offenders, often without the slightest idea of the problems of youth and young persons generally. This system must cease if any headway is to be made even with respect to the technical administration of Bill C-192.

I urge the Solicitor General to take up with his officials the observations I have made concerning my constituency, in the hope that the difficulties which now exist in the Yukon may be alleviated. One word, before I take my seat, with respect to the operation of the detention home for young offenders in the Yukon. I must toss a bouquet out, because here is a young institution which in the course of its operation has accomplished a great deal in reducing the incidence of crime by youthful offenders in my constituency. Its stated objective, and one I believe it follows, is that the sooner young offenders can be sent out of the institution and back into their homes, the better. The institution has a staff of very fine persons employed at Wolf Creek and they are doing excellent work.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, those who are in the best position to express objective remarks on a bill such as the one before us, are obviously those who are daily directly involved in the specific problems of young people.

Therefore, I think that the brief sent to us by the authorities of Boscoville makes clear, in a very satisfactory manner, what should be changed in this legislation in order to make it acceptable.

• (5:00 p.m.)

In his letter dated January 20, 1971, the director of Boscoville, Mr. Gilles Gendreau, emphasized, among other things the following, and I quote:

Boscoville considers that twenty years of rehabilitation work with young offenders allows it, when this legislation is being considered, to make some comments so that the law-makers may be still better informed before the adoption and the implementation of the Young Offenders Act.

We hope that this information will throw more light on the matter and we wish to assure you that our main concern is to help as much as possible the young misfits.

Of course, there is not one member in this House who would suggest that there is any partisanship there. Therefore, I think it is my duty to bring up, as faithfully as possible the amendments proposed and the objective criticism advanced by Boscoville and, to do so, Mr. Speaker, may I be allowed to quote large extracts from the brief itself.

On the whole, Boscoville recognizes that this bill is showing real progress in its more constructive approach towards young offenders.

I said about the same thing during the speech I delivered on the first amendment to this bill.

The spirit of our remarks would like to express, however, extremely serious concern with regard to the rehabilitation philosophy and the practical measures in general relating to such a policy.

That, Mr. Speaker, is the problem which became obvious to those who are daily and directly involved in juvenile delinquency.

The brief deals with the following matters:

1. Remarks concerning rehabilitation per se.
2. Age.
3. Education and training.
4. Accurate use of terms.

Remarks related to a concept of rehabilitation considered as a logical whole.

On page 27, section 30(4): Trial after rehabilitation process:

Boscoville considers it incompatible with a rehabilitation process to demand that a juvenile who has gone through a rehabili-

tation process be faced with a second trial at the end of his stay in a training school where he has undergone a transformation. Such a procedure amounts to advocating euthanasia for sick people suffering from a very serious but curable disease.

All those who realize what the rehabilitation of a young offender really means must vigorously oppose this clause. Boscoville's experience shows us that it is possible to save such youths and protect society at the same time without starting new proceedings which would only prove a set-back in the rehabilitation of a young person who would have to undergo a new trial. It even seems to us that such a measure amounts to prevent any real possibility of rehabilitation for these young offenders. Therefore we oppose this clause.

A second point is underlined on page 55, section 60(4), in connection with publicity and this is what those who have been dealing with this type of problem for the past 20 years have to say about it:

It is said that a judge could grant permission to publish reports on some of the proceedings in the case of a young offender.

For purposes of rehabilitation, we submit that no publicity whatsoever should be allowed on the subject of the actual act committed by a young offender whenever the latter appears before a juvenile court.

No permission to disclose to the public any aspect of the family or personal problem should be granted. The risks involved are too great for such a thing to be allowed. This is clearly viewed from the rehabilitation standpoint which definitely implies that an individual should not have to bear social stigmas which are not conducive to social reinstatement.

This is unavoidable in the case of adults and under no circumstances must it be permitted in the case of young people, for it would be a backward step.

Then the following point is emphasized on page 53 of the brief, with regard to clause 59(2) (b):

Incarceration with adults.

A judge may by warrant commit a young person to detention. It seems to us that such a measure should not be applied towards a young person when there are detention facilities for adolescents within the judicial area where the proceedings are taking place. Contacts with adult inmates, during the incarceration prior to rehabilitation are to be avoided since they might well stigmatize a young person. Past experiences prove that such things are to be eliminated whenever possible.

About the judge's role, here is what they say:

The judge is the final representative of society. We should like to point out that as a rule, the judge must be the final representative of society for the young person and it is important that he be in a position to play that role.

The judge's personalization. The judge must as much as possible be a personalized judge, that is a judge who is responsible for a youth throughout his criminal life. If possible, a young offender should not appear before a new judge each time he is charged with a new offence. The judge who started with him should continue to hear the cases involving the young man unless it is clearly unadvisable.

And about the judge and the superintendent:

We must avoid giving to the superintendent, as pointed out in clause 47, paragraph 1, the responsibility to transfer from one institution to another. The judge must be the one who appraises the value of the rehabilitation measures that society, of which he is the final representative, takes for this youth. This must be respected if we want the judge to play the role that experience has proved essential to a successful rehabilitation.

And the brief goes on about the age of the children:

A child between 10 and 14 should not, under any circumstances, be kept in a place where there are persons other than children of his age. Such a juvenile should never be allowed to come into contact with adults or older youths. Experience in the matter proves the absolute necessity of avoiding such contacts.

And further on, the preparation and training of people is mentioned:

All through the act, no mention is made of the quality of the preparation and training of persons who must deal with young people, at any level.

As to institutions, the brief says, and I quote:

Furthermore, nothing is said about the quality of the institutions (in a broad sense) which must receive, greet and take care of the juveniles entrusted to them by the judge.

In other words, Mr. Speaker, we must consider that a law may appear, at first glance, to be efficient, but if the essential elements are missing which would prevent its application and, especially, dent its spirit, it is useless. It is the same as putting the cart before the horse, and how can we really succeed in solving the problem of juvenile delinquents only through rules and laws, if we have not completely solved the problem of the persons who will be trained to do it, and of the institutions which will be established to provide the rehabilitation?

In conclusion, this brief from Boscoville states:

We are aware that these remarks might appear very limited in scope since they deal mainly with rehabilitation aspects. However, in the long run, it must be kept in mind that legislation dealing with young offenders must pave the way to rehabilitation and if this is not the case, we shall have gone against the spirit of the law. It must be understood that Boscoville felt duty bound to point this out to the legislator, and it hopes that the later will take its views into consideration. The Boscoville Executive Committee would be very happy to give further information if required.

Mr. Speaker, in conclusion, may I say that I hope the minister and his officials have consulted these people who are directly concerned with juvenile delinquency, and that the minister will agree to the amendments that are needed in order to improve this bill which, in principle, is a good one, as I said in my first speech on the subject.

But, Mr. Speaker, this is the proper time for the minister to show the necessary objectivity. Indeed, if we must change the law, let us change it in such a way that it may help settle this extraordinary problem of juvenile delinquency, a problem which becomes that much more complicated today because adults, as such and by their legislation, do nothing to set a very stimulating example to young people.

In the end, if all the problems were thoroughly analyzed, we would realize that often it is the adults' fault if delinquency fares well and flourishes so easily in our country in these particularly difficult times.

Then, Mr. Speaker, hoping that the minister may note and apply all the objective suggestions which may be put to him, I hope that this reform of the Juvenile Delinquents Act may benefit all the young people of Canada.

• (5:10 p.m.)

[*English*]

Mr. Doug Rowland (Selkirk): Mr. Speaker, it would seem that this type of legislation frequently produces the best sort of debate in this House. I speak not in terms of

the sparks struck but in terms of the content of the speeches and the information presented to the House by hon. members. In that regard I think I can point to the speech of my colleague, the hon. member for Broadview (Mr. Gilbert), and that of the hon. member for Yukon (Mr. Nielsen) this afternoon.

It is therefore with some reluctance that I rise to speak on the measure, because I do not consider myself to be in any way well versed in the subject matter encompassed by the young offenders bill. However, I have been impressed by the number of representations which I have received on the subject. I have been impressed by the quality of the presentations and by the qualifications of the people making them. Opposition to the bill has come from the Canadian Mental Health Association, from officials associated with juvenile courts, from social workers, from children's aid societies, from sociologists, psychologists, psychiatrists and persons associated with foster parent plans.

After looking at the attack on the bill and the bill itself, on one side of the question—the social agencies concerned with rehabilitation—and on the other side the law officers of the Crown who are concerned with protecting society and the legal and procedural rights of young persons who have come into conflict with the established rules of society, it occurred to me that this might be an appropriate place for the intervention of an amateur whose views have not been shaped by professional involvement with one side of the problem or the other.

It would seem to me—here again I speak with some trepidation, not possessing any great degree of expert knowledge—that there are three major considerations to take into account in examining this bill, and that the public concern which has manifested itself results from the fact that the bill deals, as a result of jurisdictional problems, I suspect, with only one of the three major areas of concern. Because the bill deals with only one of the three areas, people are justifiably concerned about the effects it will have if implemented. They justifiably argue that it should not be implemented until there is further clarification of its potential effects.

The three factors which must be weighed in the consideration of this bill are, I submit, the following. First, what is to be our over-all philosophy of dealing with young persons who have run afoul of the law? Are we to consider them to be, in effect, young criminals requiring punishment? Are we to consider them to be persons not responsible for their actions, who need assistance in understanding the strictures imposed by life in a community? Or are we to consider them to have understood that they were acting wrongly and that they did so because of some social or psychological maladjustment? Obviously, there are many other philosophical approaches which should be considered; but the philosophy which governs this act must be well defined.

The second consideration is, how are we as a society to determine if a young person has offended against society? What are the procedures we wish to employ in so determining, and what safeguards for the civil liberties of persons involved in such procedures is it necessary for us as a society to offer? The third consideration is, once guilt—if I may so term it—or culpability has been determined, what facilities are available to us as a society to effectively carry out the actions implied by the established philosophy for dealing with young persons who have acted in a manner unacceptable to society?

Those are the three considerations that are encompassed by this bill. It would appear to me that those who drafted the bill have concentrated almost entirely upon the second of the three factors, the determination of guilt and the protection of the legal rights of individuals involved in such procedures. Here let me say in all fairness that in this regard the bill does make some progress. In this respect I should like to quote from a document presented to some members of the House, entitled "A critique of Bill C-192, the Young Offenders Act" which was prepared by John A. MacDonald, assistant professor in the school of social work at the University of British Columbia. In his critique of the bill he notes the following:

> Bill C-192 also contains a number of positive features. Thus the bill has a number of welcome provisions designed to limit the arrest and pre-trial detention of juveniles. It also, for the first time, provides juveniles with appeal provisions similar to those available to adult offenders. The bill also contains an excellent section designed to restrict the dissemination of information from the records of the juvenile court. The bill also abolishes the much-criticized offence of "contributing to juvenile delinquency" while at the same time making formal provision for trial in juvenile court of criminal offences primarily affecting family members.

In all fairness, those provisions of the bill are of value. Those who prepared it should be congratulated for including those provisions. In preparing it and in making this progress they were obviously involved to some extent in deciding, perhaps in an unstated fashion, the major philosophical premise which must govern our treatment of young persons who have run afoul of the law. But the bill does not in any way involve the third factor which I have mentioned, namely, the treatment facilities which are necessary for the administration of this law. I suspect, as I have already said, that this factor is not encompassed in the bill for jurisdictional reasons, but I suggest it is within the treatment facilities that the crux of the problem lies.

Moreover, I suggest that since the bill does not deal with treatment facilities, since in addition neither members of this House nor the Canadian public have any knowledge or information about the sort of facilities the provinces intend to make available to administer the act, and since, further, there is no clear understanding of the philosophy which will govern our dealings with young offenders, as the bill terms them, it would be entirely wrong for us to proceed with this legislation. It leaves too much to chance in an area where society cannot afford to take chances. I speak of society's treatment of its young.

I am extremely sorry, for these reasons, that the amendment of the hon. member for Calgary North (Mr. Woolliams) was not acceptable to the government. For the same reasons I hope that the government will accept the suggestion made last evening by the hon. member for Welland (Mr. Tolmie) that it be in no particular rush to

get the legislation through the committee stage, that ample time be granted for concerned individuals and organizations to present their views, that ample time be permitted for an attempt to reconcile or to choose between the two major philosophical approaches to this question, that of the deterrent school and that of the behavioural problem school, if I may be permitted to oversimplify. I hope the committee study will result in an understanding of the intentions of the provincial governments with respect to the administration of the act, should this bill become law, and that the committee will have an opportunity to review related legislation in foreign jurisdictions.

• (5:20 p.m.)

In brief, I hope the government will grant the committee a completely free hand to alter, amend and vary this legislation after the fullest possible study of its subject matter. Beyond that, I would urge the government to treat this legislation as a matter of conscience rather than as a matter of government policy. I should like to take a moment to suggest the kind of legislation I would like to see emerge from such committee study. I hope the philosophy which emerges will not emphasize punishment but, rather, will emphasize the reformation and rehabilitation of the individual.

I hope a clear understanding of the kind of facilities and procedures necessary to provide for reform and rehabilitation will emerge, and that there will be a clear understanding of how they are to be provided and where the money will come from. I hope that such a study will result in a system of articulated rehabilitation agencies being established. I hope that such a study will result in the avoidance of the child being treated, as is the case in respect of the present act, as a little adult with no reference to the key importance of the family unit. Further, I hope that the double jeopardy aspects of the law will be removed during the course of the study. I hope the study will result in raising still further the age at which a young person is liable to criminal prosecution. Finally, I hope this type of philosophy will be reflected in a new title for the bill which would avoid the term young offender.

I made no apology for not having gone into these areas of concern and many other related matters in more detail. This has already been done, and ably, by other spokesmen for this party, notably the hon. member for Broadview. I would simply again urge the minister to give sympathetic consideration to the points I have made in the course of my brief remarks and which other members made this afternoon, yesterday and on earlier days when the bill was debated. Failing his undertaking to consider these matters, and failing his giving a firm undertaking to this House to the effect that they will be embraced within amendments to the bill, I cannot see how we have any alternative to supporting the amendment which has been presented to the House by the hon. member for Broadview.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, on second reading of the bill presently before us, that is, the act respecting young offenders, I should like again to call the attention of the minister to certain remarks that I made on January 13 and 14, when we were considering a motion by the hon. member for Calgary North (Mr. Woolliams), that consideration of this bill be entrusted to a group of experts.

At that time, Mr. Speaker, I was calling the attention of the minister to clauses 2, 4, 19, 26, 28, 30, 39 and 74. I had limited my study of the bill to these clauses, and after considering the whole thereof, the aspect which impressed me was that these clauses were all inspired by the same philosophy regarding criminality.

Mr. Speaker, I said then that Bill C-192 was prompted by an impulse to jail individuals rather than to rehabilitate them.

I also stated in that connection that courts were duly set up, that the taking of pictures and fingerprints as well as the emprisonment of young people with adults were allowed, and that under some provisions of the law those young people will be submitted to a cross-examination. In short, those provisions, based on the same philosophy of criminality, do not make any distinction between young and adult offenders found guilty of the same offences.

Mr. Speaker, Maurice Patin, a former President of the Criminal section of the Supreme Court of Appeal, said the following:

> If we want to eradicate crime, there is something else to do than to punish the wrongdoers.

That means that from now on, we shall have to get inspiration from a philosophy of recuperation of the individual who, for one reason or another, suffered prejudice or was unlucky and one day found himself before the welfare court, in Montreal or elsewhere, after having been caught in the very act of breaking and entering, rape, receiving stolen goods and any other offence. If he is shown understanding, and if dialogue is possible, we are on the right track. If, furthermore, the judge who hears the case of the young boy or girl is provided with the necessary resources to ensure their rehabilitation, we could say that Bill C-192 is a step forward.

I have no doubt that this act must be brought up to date, since the last one was passed, I believe, in 1929. It is obvious, Mr. Speaker, that in that field and many others, we must keep up with the times. But the fact remains that, under our present system, this bill does not change the situation in any way. It gives more discretion to the judge with regard to the criminal aspect, but less with regard to rehabilitation.

• (5:30 p.m.)

Mr. Speaker, we wish precisely the contrary and that is the point on which I want to draw the attention of the minister. Here is a real case: a young person, found guilty of burglary appears before the welfare court judge. The judge must study in his office close to 3,000 cases a year. That is nonsense. That shows how the judge cannot discharge conscientiously his duties, even if he wanted to. Whether he be the best judge available, if he is to hear 25, 50 or 60 cases of delinquency per day, he

has to do only half of his work. So much so that the young person will not find either justice or protection in that court. And finally, the young person who will have been submitted to this over-accelerated process— because, in this field as in others, production comes first—will be entrusted to education centres.

Now, nothing proves that it will be possible to re-educate this young person in such rehabilitation centres as Saint-Vallier for instance.

Mr. Speaker, my colleague from Champlain (Mr. Matte) quoted earlier long extracts from a very well drafted brief by the Boscoville authorities, and it is to be noted that in this brief, the emphasis is on rehabilitation. I read with great interest the speech that the Solicitor General (Mr. Goyer) made when this bill was introduced. I think that he is quite sincere there and I trust that the representations made today will give results, because he is young, and because he is as much interested in this problem as the rest of us.

As I said in my speech of January 13 last, if hon. members would forget their political opinions to really consider the problems facing these young people who are called criminals but who, in fact, are not in most cases, we would then draw our inspiration from another philosophy.

I should like to make it clear to the minister. This bill is not actually bad in itself because several of its clauses are quite acceptable and have long been hoped for. I commend the minister for it. However, some provisions do not provide the necessary tools to reach the objective.

What is this objective? Is it to find criminals in order to pass judgement on them, or else is it not to retrace juveniles and give them opportunities they did not have in their youth?

What is our goal? Are we seeking to increase the number of criminals, somewhat in the way we are now increasing the number of unemployed, or are we really seeking to help young people?

Mr. Speaker, if really we want to help them, before presenting such a bill—I do not say it is bad, but I say it is putting the cart before the horse—we must first finance new rehabilitation centres and foster homes, appoint more judges so that justice may be speeded up and gone into more deeply, so that individual justice may truly be meted out. We want, not quantity justice, but quality justice, in other words justice which respects the rights of all and gives to all the required opportunities. Last Thursday I called on Justice Marcel Trahan, in Montreal, and on Chief Justice J.-P. Lavallée who sit in the same court. I went there on my own. I wanted to talk to young offenders. Above all I wanted to become acquainted with the problems of the judge and to try to put myself in his place, not that I credit myself with his talents, but as a member of Parliament, if one wants the laws to reflect reality, one must not be afraid to get involved and find out what is going on.

Therefore I met Judge Trahan and Judge Lavallée. I attended hearings. I understood the problem. I saw countless people place their trust in the judge, and they were very pleased to get help because, on the whole, 99.9 per cent of those people cannot financially, morally, physically or otherwise, help themselves.

Mr. Speaker, our society's first responsibility is to help those who cannot help themselves. That is why I was shocked, flabbergasted at the sight of the judges' problem.

In the speech I delivered on January 13 and 14, I said that many of the present judges were appointed either through political influence or because of their many years of service for the cause of justice. It is very well if they were selected on account of their vast experience, but I was inclined to believe that many of them did their work so as to get rid of it.

I was able to realize that although we have excellent judges, although in the province of Quebec, for instance, courts had many excellent judges, the problem would not be solved. As a matter of fact, in the welfare court at 410 Bellechasse Street East in Montreal—for the information of the Solicitor General—there are 18 of them, each of whom hears more than 3,000 cases per year. One can imagine the results.

Let us pass the bill we want, let us make the partisan policy we want in connection with this bill, let us judge as many young people as we want, let us appoint the best judges we want, if we do not meet these two basic conditions, we will still be left with a system of poultices on wooden legs and nothing will be settled. On the contrary, the crime rate will increase as well as the number of repeaters.

Mr. Speaker, we must not only appoint a greater number of judges to grant better justice to those young people but we must—and this is most urgent—set up the required rehabilitation centres to put them back into a climate that will help them develop their personality.

If you put a rotten apple inside a barrel of good apples the rotten apple will not be changed by the barrel of good apples. It is more likely that the whole barrel will go bad because of that single rotten apple. The only way to deal with this problem, in the barrel of apples, is to take the rotten apple and put it elsewhere or make marmelade with it. We must prevent this rotten apple from infecting the rest of the barrel. This depends on our priorities. I hope I will be forgiven this example taken from nature but things have gone that far today with criminality in Canada.

If we genuinely want to help the young—and I do not mean they should be put in an ivory tower—the should be given an opportunity to truly live their lives thanks to personal rehabilitation, and psychologists, psychoanalists, social workers, probation officers, and so forth, could help them achieve it.

Mr. Speaker, when attending hearings before the Welfare Court, when examining the cases before a judge, when witnessing the speed with which the work must be done, because there are too few judges, and this, even though the technical means are enormous, one cannot but doubt that the administration of the bill now before the House will bring effective results.

This is why I urge the minister, even if this may not seem in order, even if the matter does not come under federal jurisdiction, to do something.

Mr. Speaker, if we keep hiding behind jurisdictions, if the constitution and financial reasons keep us from settling this problem, if Ottawa says: "This is a problem pertaining to Quebec", and if Quebec says: "We have no money, let Ottawa provide us with some", the young will continue to rot, to fill unhealthy rehabilitation centres, and the problem will remain unsolved.

• (5:40 p.m.)

I think that the Solicitor General who does understand the nature of the problem will do everything in his power to hustle Quebec—in case Quebec is unable to assume its responsibilities in this area—and make them appoint a larger number of capable judges from among people who are interested in helping our youngsters, and thus solve the problem.

To further support my claim, let me give you some official figures. I will only tell you the number of cases heard during the month of December, 1970 by Mr. Justice Léandre Prévost of the welfare court.

On December 1, Justice Prévost disposed of 24 cases. A judge's day, like that of a member of Parliament, has only 24 hours. Accordingly, the conclusion is that not much time was devoted to each case. It is not his fault, it is the system! One cannot solve the problem simply by blaming the Constitution for it.

On December 2, the judge heard 21 cases. On December 4, 13 cases. On December 7, 20 cases. On December 9, 28 appearances, 28 cases, and so forth. On December 28, 36 cases. On some days, he heard more than 55 cases, so that for the month of December, he heard a total of 258 cases.

I shall say more about this. From January 1 to December 31 inclusive, 1970, Justice Léandre Prévost, who does his possible best, heard 2,467 cases about young people who need personalized understanding, who need a helping hand.

One probation officer may have to deal with very many young people. The judge can only read the file quickly and try to assess each case to the best of his knowledge. Under these conditions, you cannot expect a man to work more than 24 hours a day.

A judge told me last Thursday: "Give us the tools, we will do the job". Who indeed should provide these tool, Mr. Speaker, if not federal and provincial members? We must make up our minds once and for all.

Before resuming my seat, I urge again the minister to give the tools to people dealing with this problem so that they can do their job in a truly human fashion with a view to rehabilitating individuals.

I would hate to hear the minister say that he cannot act because this is beyond his jurisdiction. If the Solicitor General is really sincere, and I do not doubt it, and wishes to help young delinquents, he will do everything in his power to wake Quebec up so that this province will assume its responsibilities, so that we will really be able to give proper tools to the people who work in this field to solve the problem, especially by showing more concern for rehabilitation than for criminality.

[Mr. Fortin.]

Mr. Speaker, welfare courts as well as training centres should smell less of criminals, of charges, of legal technicalities and more of understanding, humanization, personal service given to an individual who maybe only waits for this chance to survive.

I have here some very interesting statistics taken from the magazine *Le jeune délinquant homicide* which was printed after a seminar held at Boscoville, in Montreal, on June 10, 1970. Thirteen cases are shown, without names, of young people guilty of murder and manslaughter.

At first sight, they seem guilty, dangerous and they must be sent to prison. Analyzing the picture and studying the chapter entitled "Understanding between parents", one finds that most cases relate to disputes, poor understanding, misunderstanding between common law partners, separated couples and so on.

Can the youngster who has been brought up in such surroundings be blamed? No. It will then be necessary in social welfare courts and rehabilitation centres to take into account that he has suffered from lack of understanding. Let us give him that understanding. He has been lacking fatherly and motherly love. Let us give him that love. He has asked for a break, the possibility of a dialogue. Let us give him that break, that possibility of a dialogue and then the frequency of juvenile delinquency or relapse will surely decrease.

Mr. Justice Trahan told me something that cut me to the heart but which was true. Incidentally, he is a really remarkable man. He told me: "André, I heard the cases of some fathers, then I judged their sons and today, I judge their grandsons".

Mr. Speaker, this proves that our system is topsy-turvy and if we do not set it right, we shall have to recognize that it is administered by the most mixed-up people that ever existed.

Mr. Speaker, I am sure the Solicitor General is aware of the problem and that he is prepared to do his utmost to solve it. I would like him to agree with me that the bill is not enough, and that neither the administrative, legal or constitutional barriers, nor the financial limitations should prevent us from taking the necessary steps. No price is too high to guarantee the sound and normal development of a human being, particularly if that person is defenceless and resourceless.

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, yesterday when I spoke on Bill C-192 which is now under consideration, I drew the attention of the Solicitor General (Mr. Goyer) on the advisability of amending some provisions of that bill. I referred to clause 2(o), clause 17 (1)(2), clause 30(1)(4)(5), clause 59(2)(a)(b) and clause 60(4).

I think the government is taking a forward step in introducing this bill. I should like, however, to point out a specific aspect of the bill, namely the cause of delinquency in our country. Some reasons prompted the government to amend the Juvenile Delinquents Act and it is surely not because that legislation had become useless.

On the contrary, the number of juvenile delinquents is increasing daily, especially in our urban centres.

I hope the government is aware that a certain responsibility must be assumed in this particular case and, by the way, every time members from our party have moved non-confidence motions,—the question of the vital minimum required for parents kept coming back. If a married couple with one, two, three or four children, has to live in a decent but very small tenement, and pay a rent that is very high, the mother has to go to work.

In fact, because of the rising cost of living in the last three, four or five years, parents have changed their plans in order to be able to support their brood. If the mother has to stay away from the house six, seven, eight, nine or ten hours a day, and this, five days a week, she must entrust the care of her children to the eldest girl, aged six, seven, or eight, who goes to school two, three or four days a week.

If something wrong happens in that home, the police investigates and then, the trouble starts. When the child sees a policeman barging in his home, because a neighbour complained that the children were trying to start a fire or had guests and were making an awful noise, the child develops an instinctive fear of the police. Therefore, at the start, this child is visited by an individual who is a complete stranger to his family, which causes an emotional disturbance that often brings the child before a judge before he is 18 or 20. In fact it has often been realized in juvenile courts that serious problems had developed from very minor causes which had developed into problems almost impossible to solve.

• (5:50 p.m.)

Why? Because of the absence of the parents.

I would also like to point out to the House that, as soon as a mother begins to work outside the home, especially in the cities, she begins, in most cases, to lose interest in her children and her husband. When, in the evening, the husband finds his wife tired and uninterested in her housekeeping, as was not the case previously, he goes to the tavern and takes a drink to forget his dissatisfaction. A few months or a few years later, this family finds itself facing very serious problems.

I believe that juvenile courts do their best, but the system appears to be organized in such a way as to promote an increase in juvenile delinquency each year, as my good friend the hon. member for Lotbinière (Mr. Fortin) was saying a short while ago, and when the judge has passed judgment on the great-grandmother, the grandmother, the mother, and the young girl of 7, 8 10 or 12, everything is still the way it was before.

We should take active steps to change the laws whose purpose it is to settle most problems, juvenile delinquency in particular.

I am not against improving of the situation along the present lines, but I suggest that we should solve the real problems.

The way the government rules this country now, by introducing only stop-gap legislation, reminds me of the farmer, whose land is flooded every spring but who does not think of building a dam, which would eliminate the problem, once and for all.

I do not believe there will come a time when juvenile delinquency no longer exists, but I believe we should do something to reduce the number of victims of the government policy, especially children and young people from large families.

We are living in a chain system. The government decides that it wants to fight the alleged inflation created by the previous government. Therefore, plants cut down their production and lay off employees, who turn to unemployment benefits, thus increasing the tax burden of other taxpayers. Often, unemployment insurance benefits do not allow a family to live decently. Then, parents get discouraged and cease to take their responsibilities. Children, left to themselves, with parents socially fallen, set out on new adventures to make up for the shortcomings of the family environment. And this results in more and more juvenile delinquents.

This bill purports to solve the problem of young offenders, but should we not discuss also the problem of the parents of these young offenders who are offenders themselves?

Recently I had the opportunity to visit a secondary school with 810 students aged between 12 and 15. The parents of these children must have been 1,500 to 1,600 in number. Now then, there were only 22 of us parents. Where were the others? Nobody knows. Those parents who do not look after their children should be taken care of by some of the provisions of this act which would once and for all make it an obligation for them to look after their youngsters. Those parents should be fined or jailed at least in cases of outright negligence.

Is it not somewhat ridiculous that we should introduce a piece of legislation which tends to solve the problems of young offenders without concern for the responsibilities of the parents? I am positive that there are very many people who wonder what responsibility the government has in this field. And each and every Canadian should be wondering about that. Then they might decide to tackle the situation starting with the ones that are truly responsible.

The ones who are really to be blamed in 1970 are the parents who borrow money irresponsibly, who think only about themselves and forget those for whom they assumed some obligations, namely their children.

For the benefit of all members of this House, I should like to state a few principles. Let me report the thoughts expressed by senator Edward Kennedy when he discussed the basic obligation for parents to look after their children. This vital obligation is not only of a financial nature. Let me quote:

> No human need is more basic than the need for personal security. No desire is more instinctive than the desire for freedom from fear. Unless we can feel secure at home and in the streets, if we are threatened—be it by the officer of a police state or by a common criminal—then we are not free.

The provision of this protection which is the cornerstone of freedom and safety is the prime responsibility of a government and it is discharged by the judicial power. An economist would add: "To be free, you must have a little money".

As far as I am concerned, I am saying that one must at least have the basic necessities.

Mr. Speaker, I believe the government should seriously consider the whole system respecting juvenile delinquency. They must completely overhaul the current aspects of children's behaviour, including the attitude of parents towards their children. They must amend the Criminal Code or pass a law requiring parents to assume their responsibilities.

In my opinion, we must not either do what we are doing, that is be concerned about children without bothering with parents, if we want the number of juvenile delinquents to decline.

[*English*]

Mr. Knowles (Winnipeg North Centre): Six o'clock.

[*Translation*]

The Acting Speaker (Mr. Richard): I wish all hon. members a pleasant evening and a good night's sleep.

At six o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, March 25, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

GRAIN

TABLING OF REPORT OF CANADIAN GRAIN MARKETING REVIEW COMMITTEE

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I wish to table under Standing Order 41(2) copies in both official languages of the report of the Canadian Grain Marketing Review Committee.

TABLING OF LETTER FROM MINISTER OF AGRICULTURE TO MR. HAMILTON OF BOARD OF GRAIN COMMISSIONERS

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I wish to table a copy of a letter I wrote to Mr. Hamilton of the Board of Grain Commissioners dated February 26, along with a copy of his letter consenting to have it tabled.

* * *

WEATHER MODIFICATION IDENTIFICATION ACT

PROVISION FOR OBTAINING OF INFORMATION CONCERNING ACTIVITIES

Hon. Jack Davis (Minister of Fisheries and Forestry) moved the first reading of Bill S–11 (from the Senate), to provide for the obtaining of information respecting weather modification activities.

Motion agreed to and bill read the first time.

MOTIONS TO ADJOURN UNDER S.O. 26

NATIONAL SECURITY

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I rise to ask leave to move the adjournment of the House for the purpose of discussing a specific and important matter requiring urgent consideration.

This matter concerns the printing and publishing of a book by the Secretary of State, one of Her Majesty's Privy Councillors, who is sworn of the Privy Council and charged under section 11 of the British North America Act with the duty of aiding and advising Her Majesty in the government of Canada. Last October, Her Majesty, acting on the advice of Her Privy Council, proclaimed the War Measures Act. Under that act and its successor act, the Public Order (Temporary Measures) Act, Her Majesty has laid criminal charges against a number of citizens and these charges are now before the courts. The book purports to state certain facts upon which the Secretary of State based the advice he gave the Crown to invoke the War Measures Act. The proclamation of that act directly involved this House by way of a resolution of this House and a successor act. It has led to criminal charges which are now pending and therefore involves the courts.

Whether the comments of the Secretary of State are accurate is irrelevant, Mr. Speaker. The point is they should not be published as representing the views of the hon. gentleman as distinct from those of the Privy Council, of which he was and is a member.

This matter so concerns our constitutional system, regarding both Parliament and the courts, that it must be urgently considered.

• (2:10 p.m.)

[*Translation*]

Mr. Speaker: Order, please. The hon. Leader of the Opposition has given the Chair the notice required under Standing Order 26. May I point out to the hon. Leader of the Opposition that to a certain extent the form of the statement submitted to the Chair and the presentation of his motion to the House are out of order. If he will refer to Standing Order 26, he will read the following, and I quote:

> A member wishing to move, "That this House do now adjourn",—

—shall give—

> —to Mr. Speaker...prior to the opening of a sitting, a written statement of the matter proposed to be discussed.

Furthermore, section (3) of the same Standing Order, specifies, and I quote:

> When requesting leave to propose such a motion, the member shall rise in his place and present without argument the statement referred to in section (2) of this order.

I see that the practice generally followed by hon. members has been to keep to a general statement of the matter to be discussed under Standing Order 26, and this without substantial argument.

To that extent, it is possible for me to think that the motion is perhaps defective. I mention this aspect of the matter only to invite hon. members to follow as well as possible the general practice pursuant to Standing Order 26.

[*English*]

The point made by the Leader of the Opposition is that the views of the Secretary of State should not be published—and here I quote the hon. member's statement—

"as representing the views of the hon. gentleman as distinct from those of the Privy Council, of which he was and is a member."

I doubt very much that the hon. member's motion, in the terms he has proposed, would meet the requirements of Standing Order 26(1). In my view, the motion relates to the conduct of a minister and to that extent it is excluded from the operation of Standing Order 26.

I refer the House particularly to Standing Order 26, sections 16 (e) and 16 (f), and I respectfully suggest that the motion raises a substantive matter which can only be debated on a distinct motion under notice. I must therefore rule that the proposed motion of the Leader of the Opposition, being essentially of the nature of a censure motion and as a substantive motion, it cannot be put and considered under the provisions of Standing Order 26.

I might add that a similar notice has been filed with the Chair by the hon. member for Nanaimo-Cowichan-The Islands which is perhaps different in some respects. I invite the hon. member for Nanaimo-Cowichan-The Islands to indicate the terms of his motion.

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS—PUBLIC ORDER (TEMPORARY MEASURES) ACT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I ask leave to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the publication of a book by a member of the government which has called into question the grounds on which Parliament was asked to enact the Public Order (Temporary Measures) Act, and the need for this House to discuss the desirability of asking that this act be rescinded forthwith.

Mr. Speaker: As I said a moment ago, the hon. member for Nanaimo-Cowichan-The Islands has given due notice of his intention to request leave to move the adjournment of the House in order to debate the matter stated. I have also indicated to the House that the substance of the proposed motion arises from the same circumstances which were referred to by the Leader of the Opposition, although there is a distinction between the two proposals.

I remind hon. members at this point that the business of the House for today is a supply motion. After we have dealt with the routine proceedings of the House, we are to consider a matter which has been brought forward for consideration and debate by the House. This might make it even more difficult than in ordinary circumstances to grant the motion proposed by the Leader of the Opposition and that which is proposed by the hon. member for Nanaimo-Cowichan-The Islands.

In this instance, the hon. member for Nanaimo-Cowichan-The Islands seeks a debate to consider—and I quote his statement—"the grounds on which Parliament was asked to enact the Public Order (Temporary Measures) Act and the need for this House to discuss the desirability of asking that this act be rescinded forthwith." The question raised by the hon. member is obviously of great importance, as was demonstrated by the lengthy debate which took place earlier this session on the Public Order (Temporary Measures) Act. In arriving at a decision whether or not to accept a motion under Standing Order 26, in addition to the factors to which I referred when considering the motion moved by the Leader of the Opposition, the Chair must take into account opportunities within a reasonable time for debate. It seems to me that such opportunities will occur within the reasonably near future, and for this reason I must decline to accept the motion put forward by the hon. member.

ORAL QUESTION PERIOD

NATIONAL SECURITY

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Prime Minister whether he knew the Secretary of State was preparing a book on the Quebec crisis for publication and whether he indicated approval or disapproval of the publication of such a book?

Right Hon. P. E. Trudeau (Prime Minister): I knew that the book had been prepared before it was effectively produced and I ensured that someone in my office checked the book to ensure that no erroneous facts were stated as far as we could see. I did nothing to prevent the publication of the book.

Mr. Stanfield: Are we therefore to assume that it is quite in order within the right hon. gentleman's government for members of the cabinet to publish, while remaining members of the government, their personal views with regard to important decisions taken and recommendations made to Parliament, as well as the facts justifying these decisions or recommendations?

Mr. Trudeau: It would depend, really, upon the contents of whatever book was published and whether or not it infringed some of the rules of cabinet solidarity or the oath of office, and so on. But surely there is no objection to a minister expressing his views on public events upon which everyone in the country has been expressing views in the past months. Surely it should not be left only to those—surely it should not be left only to those—

An hon. Member: You have said that a couple of times.

Mr. Trudeau: Yes, but I repeat it as long as I cannot get attention for what I am saying. We think it is normal for those who want to support public order in Canada to express their views as well as those who want to disturb it.

An hon. Member: Touché.

Some hon. Members: Hear, hear!

Mr. Stanfield: It is all very well for the Prime Minister to try to skate around the question. I should like to ask the right hon. gentleman whether we are to assume from what he has said that the opinions expressed in the book are really the opinions of the government although set forth as the personal opinions of the Secretary of State? If this is not the case, is it permissible within this government for ministers to express their personal opinions about important decisions even though those opinions may differ from those of the government?

Mr. Trudeau: The final words, of course, condition the whole question. If the opinions differ, if they are fundamentally opposed to government policy, the minister is, of course, not free to express such opinions. But that is really begging the question. I do not see there is much difference between the written and the spoken word in this regard. Ministers have made speeches on various subjects. It is my practice to try to ensure, before they are delivered, that someone checks them for content.

Some hon. Members: Oh, oh!

Mr. Trudeau: Oh, oh?

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS—SUGGESTED ROYAL COMMISSION TO EXAMINE FACTS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a supplementary question to the Prime Minister. Since there appear to be serious discrepancies between statements made by the Secretary of State regarding the events of last October and the statements made by some of the ministers of the Crown at that time, and since there will continue to be controversy as to the actual facts leading up to the invoking of the War Measures Act, may I ask the Prime Minister whether he would be prepared to appoint a royal commission—

Some hon. Members: Oh, oh!

Mr. Bell: More suspense.

Mr. Douglas: —to look into all the facts and the relevant data leading up to the invocation of the War Measures Act and the passing of the Public Order (Temporary Measures) Act?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, surely this is a frivolous suggestion. If there are passages in the book which are repugnant to the principles of cabinet solidarity or the principle of the oath of office, I would be happy for anyone to point them out and it would then be the duty of the government to take action. I cannot understand the concern of the opposition that this particular minister has expressed himself in writing, whereas all the time ministers are expressing themselves verbally. I might add that there is abundant precedent for ministers in office in the United Kingdom publishing books on crises of the day while they are in office, and I cannot particularly get excited about this instance.

Mr. Douglas: The Prime Minister appears to be answering the question of the Leader of the Opposition and not the question that I asked him. Since there are serious discrepancies in the facts as alleged by the Secretary of State and other ministers of the government, would the Prime Minister be prepared to set up a royal commission so as to give the Canadian people the actual facts as to the events leading up to the invocation of the War Measures Act?

Mr. Trudeau: Mr. Speaker, I do not in any way concede the premise that there are serious discrepancies in fact, but even if there were I would also concede that it happens from time to time that ministers take different positions on different matters. The fundamental question is whether a minister has dissociated himself from government policy on a fundamental matter or has not. My belief is that this minister has not, and this is why I suggest that the proposal for a royal commission is a frivolous one.

RESCINDING OF PUBLIC ORDER (TEMPORARY MEASURES) ACT—OPPORTUNITY FOR DEBATE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask a further supplementary. In view of the fact that the statements made by the minister seem to call into question the grounds upon which the government asked Parliament to enact the Public Order (Temporary Measures) Act, is the government now prepared either to rescind this act or to provide for a day's debate in Parliament when the views of the members of the House may be canvassed with respect to such action?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, both the Minister of Justice and myself have answered this question at different times. The House knows that the act expires of its own accord by the end of April unless the House wants to prolong its operation. I believe it is not the desire of the leader of the New Democratic Party to prolong its operation. Therefore there is no intention on the part of the government to provide a day's debate to discuss this question. We have said that if the act is withdrawn by proclamation the House will be seized of the fact. We have also committed ourselves to placing before parliament the whole subject of public order in cases analogous to the one which occurred last fall, and this subject matter will be brought before parliament in the near future. At that time, of course, the opposition will have an opportunity to state its policy, and the policy it would follow in cases when people are trying to destroy our democracy. We will have ample debate at that time.

Some hon. Members: Hear, hear!

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, the Prime Minister challenged the Leader of the Opposition to produce anything in the nature of a complete contradiction of cabinet solidarity.

Some hon. Members: Which leader?

Mr. Diefenbaker: Mr. Speaker, is there anything that can be done to silence these prospective parliamentary secretaries?

Some hon. Members: Oh, oh!

Mr. Diefenbaker: I have the book here and I ask the Prime Minister this question. In view of the fact that the Prime Minister says that what is written has received the imprimatur of his approval, I ask him whether these quotations that I shall place before him, giving him the pages, do not in fact represent a complete contradiction of cabinet solidarity? The first is from page 127; and my translation reads;

Personally I am not convinced that serious troubles would have occurred automatically if exceptional measures had not been taken.

That is quotation No. 1. Number 2 comes from page 93:

For the reasons I have expressed in the preceding chapter surely it was not a popular insurrection that the federal and provincial governments were afraid of?

Then a little later —

Mr. Speaker: Order, please. I apologize to the right hon. gentleman, but I was hoping that he would not read too much of the book. The right hon. gentleman has given two quotations. As we all know, even that is somewhat irregular, but in any event the right hon. gentleman has indicated the basis of his argument.

Mr. Diefenbaker: Not yet.

Mr. Speaker: I hope the right hon. gentleman will not quote too much of the book.

Mr. Diefenbaker: Mr. Speaker, the Prime Minister issued a challenge, and I, as a member of this House—

Mr. Speaker: Order, please.

Mr. Diefenbaker:—am entitled to answer him—

Mr. Speaker: Order, please.

Mr. Diefenbaker:—by asking him whether or not he approves of what is written.

Mr. Speaker: Order, please. I appreciate the point made by the right hon. gentleman. I am just suggesting that there has to be a limitation somewhere. However, for the moment the hon. member for Ontario is rising on a point of order.

Mr. Cafik: Mr. Speaker, perhaps this commercial for the sale of the minister's book has proceeded far enough and it is time we got back to the main feature of the hour, the questioning of the government on matters of national interest.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. That is perhaps not a point of order. I think we might allow the right hon. gentleman to ask his question. He was placing the foundation of his question before the Chair and the House. I assume this has now been done and that we will hear the question.

Mr. Diefenbaker: Mr. Speaker, I would not begin to give all the quotations I have because the book contains one of the biggest messes that I have ever read. I quote one more excerpt because the Prime Minister said he approved of the book. At page 59, I find this:

In the first place, it seems to me important to recognize that the FLQ never tried to seize power in Quebec on the occasion of the October crisis.

I doubt that its members, even the most visionary, have ever had this intention in the course of the eight years of existence of their movement.

Does the Prime Minister accept those views as representing the type of views that he placed before the country on behalf of the government last October, that insurrection was here and they had to act?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, of course that is not a position the government ever placed before the House—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Cabinet solidarity has been broken.

Mr. Speaker: Order, please. The right hon. Prime Minister has the floor.

Mr. Trudeau: Let them write books, Mr. Speaker. Had I been allowed to finish my phrase I would have corrected the hon. member and said that it was never the position of this government that there was an insurrection and we had to act. If the hon. member would refer to the law and our text he would see that it was apprehended insurrection which was the basis of our action.

Some hon. Members: Oh, oh!

Mr. Trudeau: Hon. members say "oh, oh", but surely there is a difference between insurrection and apprehended insurrection.

Some hon. Members: Hear, hear!

Mr. Trudeau: As regards the quotations which were brought before the House by the right hon. member, perhaps he would allow me in reply to quote another well known author, Mr. Voltaire, who said—

Mr. Diefenbaker: Is he a member of this House too?

Mr. Trudeau: No.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, it is easy to see that biculturalism has a long road to march if the hon. member does not know who Mr. Voltaire is.

Some hon. Members: Hear, hear!

Mr. Trudeau: He said, Mr. Speaker—

Mr. Diefenbaker: Never mind what Mr. Voltaire said. Answer the question. We are interested in what the Secretary of State said.

Mr. Speaker: Order. I wonder if we might return to the rule book. I believe the hon. member for Charlevoix has a supplementary question.

[*Translation*]

The hon. member for Charlevoix wishes to ask a supplementary question.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to put a question—

[*English*]

Mr. Trudeau: Mr. Speaker, I had not finished. I think I should be allowed to finish my answer.

Mr. Speaker: Order, please. Perhaps the Prime Minister might complete his reply when we have heard the supplementary of the hon. member for Charlevoix.

[*Translation*]

Mr. Asselin: Mr. Speaker, I should like to put a question to the Minister of Justice—

[*English*]

Mr. Trudeau: Mr. Speaker, I am not—

[*Translation*]

Mr. Speaker: Order. I thought that the hon. member for Charlevoix was going to direct a supplementary question to the Prime Minister. I do not want to interrupt the latter, but I think that while quoting Voltaire, we may be straying somewhat from the question asked by the right hon. member for Prince Albert.

I would invite the right hon. Prime Minister to answer as briefly as possible the question of the right hon. member for Prince Albert, and then I will recognize the hon. member for Charlevoix.

[*English*]

Mr. Trudeau: The quote is very short, Mr. Speaker: "Give me five lines of an author that I can quote out of context and I will guarantee that I can have him hanged."

Some hon. Members: Hear, hear!

[*Translation*]

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS—REPERCUSSIONS ON PERSONS CHARGED UNDER WAR MEASURES ACT

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to direct a supplementary question to the Minister of Justice.

Considering that, under the War Measures Act, several people are before the courts in Montreal, has the Minister of Justice considered the possibility that the book published by the Secretary of State may cause them irreparable wrong? If not, would he consult his legal advisers as soon as possible and make a statement to the House about this?

[*English*]

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I have not had an opportunity to read the book and have no comment to make until I do.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to ask the Prime Minister a supplementary question.

Could he tell us whether the Secretary of State has a right to sell his book and pocket the profits or whether this is simply a routine task which becomes government property?

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I wish to ask the Secretary of State a question.

So that he may abide by certain recommendations of the Royal Commission on Bilingualism and Biculturalism and enable opposition members to express constructive and logical comments, does the minister intend to translate his book into the language of Shakespeare?

Mr. Speaker: Order. Having come from Voltaire to Shakespeare, we will now recognize the hon. member for Timiskaming.

[*English*]

I believe the hon. member for Timiskaming has a point of order.

Mr. Peters: Mr. Speaker, in view of the fact that this seems to be an adjunct to the debates we had previously in the House and in view of the growing interest in this document, I wonder whether the Secretary of State would be willing to table it so that it could be made an appendix to *Hansard* and hon. members could have an opportunity to study it.

Mr. Speaker: Order, please. The translation might not be prepared for tomorrow.

[*Translation*]

MOTIVATION OF SECRETARY OF STATE IN WRITING BOOK ON QUEBEC CRISIS

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question to the hon. Secretary of State.

Since the Prime Minister has said a moment ago that every minister was free to inform the people and ought to do so, I should like to ask the hon. Secretary of State what were the main reasons which moved him to write a book on the October crisis rather than giving every day information which the public obviously required on this matter?

Mr. Speaker: I venture to break in at this moment. The hon. member is asking the hon. Secretary of State to indicate his reasons for writing a book. I do not think that the question, in those terms, is acceptable.

[*English*]

The hon. member for Egmont.

[*Translation*]

Mr. La Salle: Mr. Speaker, on a point of order—

[*English*]

Mr. Speaker: Order, please. I apologize to the hon. member for Egmont—

[*Translation*]

Is the hon. member for Joliette rising on a point of order?

Mr. La Salle: I asked that question, Mr. Speaker, because the crisis ended six months ago and Canadians are entitled to know—and we realize according to a book recently published that the minister knew much more about it than we thought—why he wrote that book instead of releasing this information from day to day to the public?

Mr. Speaker: The hon. member is putting an argument forward in order to justify his question, but I do not think that under the standing orders the question as asked is acceptable.

[*English*]

I think I have to bring to the attention of hon. members that we will have to make a decision very soon on whether we want to devote the whole question period on this important matter. We have used some 20 minutes already. I have no intention to limit the questioning but we should give some thought to whether we might reserve some of our questions on this subject for tomorrow.

Mr. Knowles (Winnipeg North Centre): Tomorrow and tomorrow and tomorrow.

SUGGESTED REFERENCE TO COMMITTEE TO CONSIDER PERMANENT LAW AND QUEBEC CRISIS

Mr. David MacDonald (Egmont): Mr. Speaker, in view of the book published recently by the Secretary of State and the recent speech by the Minister of Justice, both indicating continuing concern for those who have either failed to understand the events of last fall or have not appreciated all the circumstances, in view of the Prime Minister's suggestion that there will shortly be some reference placed before a committee of the House with regard to possible permanent measures which might be taken in place of the temporary public order law, and because of the conflict over the exact events of last fall, is the government giving consideration to making the reference to a parliamentary committee such that it will cover not only an examination of the kinds of laws necessary to deal with apprehended insurrection or other forms of possible civil disorder but also the specific events of last fall in view of their importance not only to—

Mr. Speaker: Order, please. The hon. member's question is perhaps more in the nature of a speech. I wonder if we can now assume there is a question mark after the last word.

[Mr. Speaker.]

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker; I take it the speech was in the form of a representation and we will consider all possible ways of bringing this subject before Parliament and the hon. member will find out how it is done when the move is made.

Mr. Speaker: Is the hon. member for York South rising on a supplementary?

WAR MEASURES ACT—PAYMENT OF COMPENSATION TO THOSE ARRESTED AND RELEASED WITHOUT CHARGE—DESTRUCTION OF RECORDS

Mr. David Lewis (York South): I have a related question, Mr. Speaker.

Mr. Speaker: Perhaps we might accept a related question.

Mr. Lewis: Mr. Speaker, I should like to ask the Minister of Justice a question related to this subject to find out whether he has been in consultation with the Attorney General of Quebec concerning the criteria on which compensation is to be paid to certain of those persons who were arrested and released without any charge! If so, could he table the criteria which are to guide the Quebec government in paying compensation?

Hon. John N. Turner (Minister of Justice): The only communication I have had related to the statement that the Attorney General of Quebec made before the National Assembly, and I will be glad to have that statement tabled, with the consent of the House, when I bring it to the House.

Mr. Lewis: May I ask the Minister of Justice whether the federal government is working with the Quebec government in this field of compensation in view of the fact that it was this government that invoked the War Measures Act and the regulations under it as well as this parliament that passed the Public Order (Temporary Measures) Act, and also whether anything has been done to destroy the fingerprints and other alleged criminal records of those innocent Canadians who were arrested and later released without charge?

Mr. Turner (Ottawa-Carleton): I can read a paragraph from the letter of the Attorney General of Quebec to me dated March 16 when he referred to the declaration that he made before the National Assembly. It reads as follows:

[*Translation*]

You will note that this statement points out that the police forces will soon be instructed to return to the people concerned, their pictures and fingerprints, when they have not been prosecuted or found guilty.

[*English*]

Mr. Speaker: There are a number of supplementary questions. I suggest to hon. members that I might return to them in a moment, but first we might give an opportunity to the hon. member for Temiscamingue to ask his question.

Mr. MacDonald (Egmont): Mr. Speaker, a moment ago I put a specific question to the Prime Minister by way of a supplementary on a specific point related to the subject matter under discussion. You, Mr. Speaker, went on to recognize other hon. members. I think it is important that a supplementary question be placed next to the original question.

Mr. Speaker: I appreciate the point made by the hon. member is valid, but to some extent the Chair has to take other matters into consideration. The hon. member for Temiscamingue who represents a minority group in the House should be given an opportunity to ask his question. I want to recognize him at this time, having in mind the suggestion made to the Chair from time to time that minority groups should be taken into account. Then I will return to the hon. members for Egmont, Saint John-Lancaster, Cape Breton-East Richmond and others who seem anxious to ask supplementary questions on this matter, and then other matters might be considered tomorrow.

* * *

[*Translation*]

NATIONAL DEFENCE

QUEBEC—ALLEGED PRESENCE OF SEPARATISTS IN ARMED FORCES

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, after having called upon Voltaire and Shakespeare, I think you are right in finding it proper to call upon the member for Témiscamingue.

In view of the statement that Mr. René Lévesque made yesterday in Regina, to the effect that some Canadian armed forces units based in Quebec are teeming with separatists, is the Minister of National Defence aware of the existence of separatist elements in the armed forces units based in Quebec and is his department inquiring to see whether Mr. René Lévesque's allegations are true?

Hon. Donald Macdonald (Minister of National Defence): Mr. Speaker, a few weeks ago I had the opportunity to say that we had complete trust in the Canadian armed forces, particularly the French-speaking units. But in Ottawa a few days ago, Mr. Lévesque talked about a straitjacket and to me his comments tend to indicate that his friends are the ones who should use a straitjacket on him.

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

With regard to the question of the hon. member for Témiscamingue, I should like to ask the minister whether, even if he were to admit that there are separatists in the army, he feels that on those grounds they are not entitled to be members of the Canadian armed forces?

[*English*]

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wonder if I may direct a further question to the Minister of National Defence. Would he erase from the minds of all

Canadians in a definitive way the implication or import of Mr. Lévesque's statement? Rather than treating it lightly, would he give us a definite indication whether or not there are indications from studies that have been made of the presence of separatists in the armed forces?

Mr. Macdonald (Rosedale): As the hon. member knows, the question of security in the forces is kept under review at all times, and I repeat what I said a moment ago to the Leader of the Créditiste party, that we have no reason to believe that the statements made are accurate or indeed that there is any penetration whatsoever of the Canadian Armed Forces.

[*Later:*]

[*Translation*]

In reply to the hon. member for Joliette, I should like to say that, to my mind, it is not possible to be a member of the Canadian armed forces and a separatist at the same time.

[*English*]

Mr. E. B. Osler (Winnipeg South Centre): I would like the Minister of National Defence to assure us that he is taking legal steps to safeguard the good name of all French-speaking people in our armed forces, who serve loyally and do a wonderful job for us, against the slanderous statements of this chuckler from east of here who poses as a political leader.

Mr. Macdonald (Rosedale): Mr. Speaker, I can only reaffirm what I have just said, that we have no reason whatsoever to believe that there is the slightest support for the accuracy of the allegations which Mr. Lévesque has made now on several occasions.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a supplementary for the Minister of National Defence.

In view of the statement made in the House by the Minister of Labour during the debate on the War Measures Act to the effect that members of the FLQ should not be mistaken for members of the Parti Québécois, could the minister reaffirm that those who would be acknowledged as members of the Parti Québécois would not be accepted in the Armed Forces?

Mr. Macdonald (Rosedale): In my opinion, Mr. Speaker, it is impossible for a separatist to take the oath of the Armed Forces and at the same time be a separatist.

[*English*]

Mr. Speaker: The Chair will recognize the hon. member for Ontario as the last member to ask a supplementary question on this subject. We are still on supplementary questions to the first question. We are not proceeding very expeditiously.

Inquiries of the Ministry

Mr. Norman Cafik (Ontario): Would the Minister of National Defence take steps to provide to Mr. Lévesque an opportunity to supply the names of such alleged separatists in our forces, in other words, ask him to put up or shut up?

An hon. Member: Take your own advice.

* * *

OIL

STATEMENT BY PARLIAMENTARY SECRETARY TO MINISTER OF FINANCE ON SHIPMENT FROM ALASKA DOWN BRITISH COLUMBIA COAST

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, may I point out first on the same subject that I think the book of the Secretary of State must now be in the second printing of the paperback edition in view of all the publicity it has been given here so far.

My question is directed to the Minister of Finance. Can he say whether his parliamentary secretary was indicating government policy or perhaps the lack of it when, according to a press report, he said that despite all the talk Alaskan oil will be moved by ship down the British Columbia coast?

Mr. Speaker: I am sure the hon. member will appreciate that it is not in order to ask the minister whether his parliamentary secretary is expressing government policy when he makes a statement either inside or outside the House. The hon. member for Egmont has a supplementary question, I believe.

* * *

NATIONAL SECURITY

SUGGESTED REFERENCE TO COMMITTEE TO CONSIDER PERMANENT LAW AND QUEBEC CRISIS

Mr. David MacDonald (Egmont): My question is to the Prime Minister and it is a supplementary to my earlier question about a general reference to a parliamentary committee with regard to events last fall. Will the government give consideration also to allowing various members of the cabinet to appear before the committee both as private persons and as cabinet ministers?

Right Hon. P. E. Trudeau (Prime Minister): We generally find a way of making our position known to the House and to the country, and I would think that the purpose of this committee, whatever terms of reference it has, would be to elucidate opinions from the opposition on the position they would take to improve the laws of our country to meet any threat to our democracy.

Mr. Lambert (Edmonton West): That was a nonsense answer.

Mr. Thomas M. Bell (Saint John-Lancaster): I have a supplementary question for the Minister of Justice in respect of this matter in the knowledge of his great appreciation of his over-all responsibilities. Was he consulted fully on these events, did he approve of such action, and is he happy to remain a member of a cabinet that does such things?

[Mr. Speaker.]

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Cape Breton-East Richmond with a last supplementary on this subject. In fairness to other hon. members I suggest we might go on to another subject.

Mr. Donald MacInnis (Cape Breton-East Richmond): My supplementary is directed to the Minister of Labour. Considering the lack of jobs in the country, the lack of attendance in the House because of the roster system and the length of time it takes to write a book, has the Minister of Labour objected to the Secretary of State moonlighting as a cabinet minister and will he recommend his dismissal from the cabinet?

* * *

INDUSTRY

AIRCRAFT—PROMOTION OF MANUFACTURE AND SALE OF SHORT TAKE-OFF AND LANDING PLANES

Mr. H. W. Danforth (Kent-Essex): I should like to direct a question to the Minister of Industry, Trade and Commerce. In view of the recent problems of Rolls Royce of Great Britain, the apparent limitation on the development of the SST in the United States, and the consequent repercussions on the entire Canadian aircraft industry especially in employment, can the minister indicate if the government is now taking the advice of the Science Council of Canada and actively encouraging and promoting the manufacture and sale of STOL aircraft where we still have an international lead in development?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the government did not wait for the recommendation of the Science Council before giving support to STOL aircraft industry in Canada. When my estimates come before the committee I shall be very keen to report on what has been done in terms of research and development and support for international marketing for different companies in the STOL aircraft sector. Short of that, I can repeat what I have already said, that we are looking at this matter further and we will see if we can help it further. Again we are giving a lot of support, and I shall be delighted to report on that in due course.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, on the basis of what the minister has just said I wonder if he can indicate whether the government is actively involved in a program of development of export markets for STOL aircraft?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Very deeply, Mr. Speaker. I had a letter two days ago from the president of de Havilland thanking the government profusely for that support.

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—NUMBER OF APPLICATIONS RECEIVED, CRITERIA APPLIED

Mr. Lorne Nystrom (Yorkton-Melville): My question is directed to the Secretary of State, Mr. Speaker. In view of the fact that applications for the Opportunities for Youth program are now being received, can the minister inform the House how many have been received and what criteria are used in approving or rejecting them?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, we have received a good many applications. I could not quote any number for the member's information. As far as the requirements are concerned, these are described in pamphlets distributed to hon. members. In my opinion, to give the details in answer to a simple question would take up much time.

[*English*]

Mr. Nystrom: In view of the statement issued by the Canadian Student Liberals that the government's summer job program is ill-planned and does not solve long term needs, can the minister state whether the government is formulating long-term plans for student employment next year?

Mr. Speaker: I suggest to the hon. member that as asked the question is argumentative. The hon. Leader of the Opposition.

OPPORTUNITIES FOR YOUTH PROGRAM—ALLEGED CONFUSION IN PROVISION OF INFORMATION

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question on the same subject for the Minister without Portfolio who I do not think has been distracted by attempting to write a book. I should like to ask if he has any explanation, in light of the statement he made in the House last Friday that clear instructions had been given to Manpower offices in regard to the Opportunities for Youth program, for the confusion which seems to exist even in the minds of student Liberals in regard to this program?

Mr. Marshall: On the Opportunities for Youth program—

Mr. Stanfield: Mr. Speaker, on a point of order—

Mr. Speaker: I apologize to the hon. member. I believe the Leader of the Opposition is rising on a point of order.

Mr. Stanfield: On a point of order and with all due respect, Mr. Speaker, this is a very important question. There is great confusion and I want to give the minister and the students a chance for enlightenment.

Mr. Speaker: If there is confusion, as I gather from the hon. gentleman's question, in the minds of the young people of a specific party, I wonder whether a question asked in those terms is in order.

Inquiries of the Ministry

Mr. Stanfield: I ask the minister whether he proposes to take any specific steps to clear up the confusion that seems to exist in the Manpower offices and that students say they have run into in seeking information about this program and how they apply to participate in it?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, on Friday last I believe I did say that material was going out to Manpower offices on that day. Since then I found that some of it went out on Saturday to Manpower offices, but material did go out to all by the end of last week.

An hon. Member: Where is it now?

Mr. Stanbury: Of course, it is not delivered at the same time everywhere in Canada.

Mr. Bell: We all know that.

Mr. Stanbury: As far as students are concerned, Mr. Speaker, the student Liberals, like many other students in the country, have responded very positively and favourably to the Opportunities Youth program.

OPPORTUNITIES FOR YOUTH PROGRAM—PROVINCIAL QUOTAS FOR MILITIA TRAINING—PROVISION FOR INSTRUCTIONAL STAFF

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I have a question for the Minister of National Defence regarding the Opportunities for Youth program. In view of the extension of student militia training to include armouries which are mainly administered by militia units, will the minister announce as soon as possible the quotas for provinces to ensure that district headquarters will be able to request logistic support and instructional staff from regular army reserves to maintain the training program?

Hon. Donald S. Macdonald (Minister of National Defence): Yes, Mr. Speaker, I shall keep that representation in mind.

* * *

NATIONAL FILM BOARD

ALLEGED INABILITY TO MEET REQUESTS FOR FILMS

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct a question to the Secretary of State. Has his attention been drawn to a letter being sent out by the National Film Board of Canada indicating that requests for films cannot be met because of the great demand and limited staff of that department? Will the minister look into this to make sure that those who are waiting for films are not kept waiting and will not receive this kind of reply?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Certainly, Mr. Speaker.

Inquiries of the Ministry

EXTERNAL AFFAIRS

INQUIRY RESPECTING INTEREST-FREE LOANS TO FAR EAST COUNTRIES

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Finance.

Concerning the Canadian delegation headed by Mr. Gérin-Lajoie, could the minister tell the House if the $25 million subscribed to the Asian Bank plus the $200,000 for a special assistance fund and the help given to India, Singapore, Viet Nam, Malaysia, Thailand and French-speaking Africa, which amounts to hundreds of millions of dollars, will be the last loans granted without interest?

Mr. Speaker: The Secretary of State for External Affairs seems to want to take the question as notice. For the moment, the Chair recognizes the hon. member for Edmonton West.

* * *

[*English*]

OIL

TRANS-ALASKA PIPELINE—CONSULTATIONS WITH UNITED STATES GOVERNMENT

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Secretary of State for External Affairs. In light of the statement made yesterday by his colleague the Minister of Energy, Mines and Resources following discussions by cabinet ministers with representatives of the United States oil industry on the subject of the Alaska pipeline, can the minister tell us whether the government is considering or has considered a formal approach to the United States government in order to get this question settled once and for all so that we can get some credibility with regard to the whole question?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, as I announced in the House some weeks ago, plans are being made for consultations with the United States government about the problems of the west coast pipeline. I assume that in that connection there will be quite adequate opportunity for discussion of all phases of the situation.

Mr. Lambert (Edmonton West): I can if the minister tell us if these discussions are to take place within the next few weeks or is it several months or next spring?

Mr. Sharp: Mr. Speaker, I hope it will be very soon indeed. The officials concerned are establishing the place and the machinery for discussions right now.

Mr. Speaker: Order, please. The question period has just about expired. Perhaps the Chair might be allowed to recognize the hon. member for St. John's West and then pursue further questions tomorrow.

[Mr. Pelletier.]

FINANCE

AGREEMENT WITH PROVINCES ON FULL EMPLOYMENT AND GROWTH TARGETS FOR 1971 BUDGETING—FURTHER EXPANSIONARY POLICIES

Mr. Walter C. Carter (St. John's West): My question is for the Minister of Finance, Mr. Speaker. Is it the government's intention to try to reach agreement with the provinces on full employment and growth targets for their 1971 budgeting?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, we have periodic meetings with the provincial treasurers and ministers of finance to discuss the economic situation and the general outlook that governments should take toward the forthcoming year.

Mr. Carter: Can the Minister of Finance tell the House if the Bank of Canada has asked the government not to pursue any further expansionary policies for 1971, for instance, a tax cut and, if so, what is the position of the government on that question?

Mr. Benson: Mr. Speaker, the Bank of Canada does not usually tell the Minister of Finance what he should do with regard to fiscal policy and therefore such representations have not been made.

Mr. Speaker: Orders of the day.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Hon. J. A. MacLean (Malpeque): Mr. Speaker, on a point of order, perhaps I might be permitted to ask a question of the President of the Privy Council. Will he indicate what business the government proposes to put before Parliament in the next few days, and possibly for the next week?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, tomorrow we propose to call the government organization bill and following that probably the unemployment insurance bill first and then the Canada Labour (Standards) Code bill. After consultation, I might try to work in third reading of the textiles bill and the report stages of the weights and measures and the investment companies bills, but that would be done only after consultation with other House leaders.

TIME LIMIT ON SPEECHES ON BUSINESS OF SUPPLY MOTION

Hon. J. A. MacLean (Malpeque): Mr. Speaker, on a further point of order, I think there is agreement with regard to today's debate along these lines: that the first spokesman for each of the parties shall limit his speech

to 20 minutes and that all other speeches shall be limited to 15 minutes. If there is agreement, perhaps that could be made an order.

Hon. Allan J. MacEachen (President of the Privy Council): Yes, Mr. Speaker, that is our understanding.

Mr. Knowles (Winnipeg North Centre): Agreed.

Mr. Speaker: If there is agreement, it will be so ordered.

INQUIRY AS TO INTRODUCTION OF BILL CONCERNING CIGARETTE ADVERTISING

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, before we leave the question of the business for the ensuing week, may I put a question to the government House leader. As he knows, we reached agreement concerning time limits on the proposed bill having to do with cigarette advertising. Can he tell us whether the bill will be before the House at an early date?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I cannot give an assurance that it will be before the House at an early date. Very likely it will not be before the Easter recess, and I cannot give a definite date after that.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, may I ask a supplementary?

[*English*]

Mr. Speaker: Hon. members will have noted that we are on an alleged point of order. Really, this is a continuation of the question period and these questions can be asked only with the consent of the House.

[*Translation*]

The hon. member for Joliette seems to want to raise a new point of order or ask a supplementary question. The question has been put, I believe, by the hon. member for Malpèque, with regard to the sequence of business which will be considered by the House in the next few days. The hon. member for Winnipeg North Centre asked a supplementary question on this subject. It is only with the consent of the House that such questions will be allowed again.

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

Mr. Speaker: Is the hon. member for Joliette rising on a question of privilege?

Mr. La Salle: Yes, Mr. Speaker.

I simply wish to inform the government House leader that in view of the importance of cigarette tobacco in the constituency of Joliette, our people are not in any great hurry to see a bill to restrict the use of tobacco come back to the House.

Alleged Failure to Improve Economy

• (3:10 p.m.)

GOVERNMENT ORDERS

[*English*]

BUSINESS OF SUPPLY

ALLOTTED DAY S.O. 58—NON-CONFIDENCE MOTION—ALLEGED FAILURE OF GOVERNMENT'S ECONOMIC POLICIES

Hon. Marcel Lambert (Edmonton West) moved:

That this House condemns the government's economic policies which have failed to curb inflation, have brought severe unemployment to at least 675,000 Canadians, have accentuated regional disparity and have failed to promote regional development.

He said: Mr. Speaker, I could barely discuss adequately the motion before the House this afternoon in one hour and 20 minutes, let alone in 20 minutes. I will do my best to bring before the House what I feel is one of the major problems facing this country at present. We condemn the government because it has deliberately, through the instrumentality of the Prime Minister (Mr. Trudeau), the Minister of Finance (Mr. Benson) and the Minister of Consumer and Corporate Affairs (Mr. Basford) thrown up a very thinly disguised smokescreen. It has attempted to say that it is going to fight unemployment and that it has succeeded in mastering inflation. Mr. Speaker, that, I say, is one of the slickest "con games" that could be thought of at the present time, because there is no such thing as this government having mastered inflation.

Mr. Dinsdale: Or anything else, for that matter.

Mr. Lambert (Edmonton West): I put it to Your Honour that this is a grave issue. The gravest issue this country can face is that there is no sign the government has met with any degree of success in dealing with the close to 700,000 unemployed, in dealing with the projections made for the next three quarters of the year and in dealing with what may happen with regard to inflation.

We have had opportunities of discussing this question with the Chairman of the Prices and Incomes Commission in committee, on the study of the estimates of the commission. I must say that, although that gentleman tried valiantly, he had to admit that there are indications, and these are easy to see, that by the third quarter of this year we shall have started on another run up the ladder of inflation. The problems of the country, therefore, will have merely escalated upward another degree. It is on that point that I want to condemn the government today.

First of all the Prime Minister last December, I believe in some interview or other, boasted that "we have now licked inflation" and that the government would turn to the No. 1 priority, dealing with unemployment. Well, they have not dealt at all with unemployment, because it has kept on going up. Let us look at the claims that were made by the Minister of Finance in his budget speech of December 3. Let us look at claims made by the Prime Minister, other ministers inside and outside the House, and by the Minister of Consumer and Corporate Affairs who boasted that the increase in the consumer price index in Canada was the lowest experienced by any industrialized country in the western world. You know,

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Mr. Speaker, if you have a big fence post sticking into your eye it is no consolation to have somebody point to the telephone pole that is sticking into the other fellow's eye and say that you are the better off. That is precisely the position Canadians are in today.

Let us look at the question of inflation and let us look at the cost of living index. If we look at the February issue of the Bank of Canada Statistical Summary, on page 163 we shall see that at the end of January the cost of living index had gone up to 130.3, from 128.2. In February the index, generally on average, went up another half point. True, there has been a downturn, or shall we say, a slow-down in the rate of increase in the consumer price index. Let us look at the components, food, clothing, housing and "all other". If one looks at the charts, one will see that they all, except for the food index, have pursued that same, steady relentless climb. In the immediate past, the food index has not risen because of the supermarket price war in Ontario and Quebec which now shows signs of ending, so prices are beginning to go up again.

Let us look at the clothing index. In January, 1970, it stood at 125.5; in January of this year, at 127. Housing stood at 138.1 in January, 1970; at 146.6 in January, 1971. The household operation index was 114.7 in January, 1970, and 117.4 in January, 1971. In all other items, 127.8 in January 1970, 131.4 in January 1971. I could go through the more recent lists of the Dominion Bureau of Statistics for February. I could deal with cities such as St. John's, Halifax, Montreal, Ottawa and Toronto. Health, personal care, recreation, reading, transportation, tobacco and alcohol all show substantial and steady increases from February 1970 through to February 1971.

With regard to consumer price indices, the only change that has been apparent is a four-month change in the cost of food, and that is an aberration. It is on that aberration that the government rests its case. That is the only strength in its case of stating that it has mastered inflation, because the degree of increase has been slowed down. Food represents 27 points in the total index of 100. If you can obtain a down turn in over a quarter of the items in the computation of the consumer price index, of course there will be a change. What is that change going to be in March and April when the price of food again goes up? We will then see whether inflation has been mastered. I say that merely with regard to that one particular point.

The next point is whether inflation has been contained. I wish to deal with the level of wage settlements. We know that wage settlements are being made at the same percentages and in some cases higher than one year ago. There have been some notable exceptions where the question of whether or not to close an establishment was involved. There has been some outside force that I explained and lower than average increases. In addition to the new settlements being negotiated, there are the effects on the economy of wage settlements made a year or 18 months ago on two and three year contracts. They all have major escalator clauses, most of which will come into effect this spring. At that time, we will see an escalation in wages.

I now wish to deal with increases in wages and other returns. Executive salaries increased by 10 per cent last year. With regard to average weekly wages and salaries, there is a table which was prepared by the Prices and Incomes Commission based on information from the Dominion Bureau of Statistics. This was tabled this morning at the hearings of the Prices and Incomes Commission. I am quite prepared to put this whole schedule on the record, but if hon. members will permit, I will select certain items. If anyone would like to have the complete table printed, I can ask for the permission of the House to have this done.

In 1970, the average weekly wages and salaries increased 7.6 per cent in industrial composite, 8 per cent in manufacturing and 11 per cent in construction. The average earnings of wage earners versus salaried employees in manufacturing, based on October 1969, showed an increase of 8.3 per cent for average hourly earnings of wage earners over 1968, an increase of 7.3 per cent for average weekly earnings of wage earners and an increase of 9.9 per cent for average weekly earnings of salaried employees for the same period.

Surveys of teachers in 19 selected Canadian universities indicate that in 1969-70 salaries for all ranks increased 7.7 per cent; deans, 8.5 per cent; associate professors, 6.2 per cent; lecturers and instructors, 8.4 per cent. Average salaries for faculty of all Ontario universities increased in 1970-71 as follows: professors, 7.1 per cent; associate professors, 6.1 per cent; assistant professors, 6.2 per cent.

Executive salaries also come into the picture. The figures for the calendar year 1969 are: all executives, 10.1 per cent; general managers, 8.8 per cent; sales managers, 9 per cent; plant managers, 7.6 per cent; accounting managers, 10.2 per cent; chief engineers, 7.6 per cent; industrial relations managers, 11.3 per cent.

The figures which I have for the professions are for the year 1968. They are a little behind the time, but they give an indication. The figures are: physicians and surgeons, 6.7 per cent; engineers and architects, 3.7 per cent; lawyers and notaries, 7.2 per cent; dentists, 10.3 per cent; accountants, 17.1 per cent. These may seem to be terribly dry statistics but they are a real indication of the effects of inflationary pressures on salaries and earnings.

Mr. Faulkner: Are you opposed to all of them?

Mr. Lambert (Edmonton West): I am opposed to many of the increases.

Mr. Faulkner: Which ones?

Mr. Lambert (Edmonton West): I am opposed to increases to the degree that they exceed the increase in productivity. If that is the case, they are inflationary.

Mr. Faulkner: How do you measure that?

Mr. Lambert (Edmonton West): This is a very difficult thing to do, Mr. Speaker. However, because it is difficult, are we going to deny the effect? It is difficult to measure the productivity in the service industries, but this is one of the tasks the Economic Council of Canada is undertaking. Because it is difficult, is that still a denial there has been an inflationary effect in Canada? I do not care whether one is a wage earner, salary earner, teacher, professor or bus conductor, if he receives an increase in salary beyond the increase in productivity, there has to be a corresponding increase in inflationary pressure. Inflation can be due to other causes as well, but this is one of the basic causes. This is a step which the government has not in any way mastered. In fact, they have not touched it at all.

The Prices and Incomes Commission was suppose to maintain some form of control, not mandatory, and to furnish information to the government with regard to prices and incomes. This commission is being wound up. Its terms of reference cease on December 31, 1971. In a statement filed by the chairman of the Prices and Incomes Commission on Tuesday last, he said in part:

> In 1971, the commission is maintaining its surveillance of important changes in prices, costs and profits in the economy, will continue to conduct investigations and issue reports of particular price and income increases and inform the public and governments of the relevant facts. With the termination of the price restreint criteria and the associated wage and salary guideline on Dec. 31, 1970, these reviews will not, however, be conducted within the context of specific price and pay criteria as in 1970.

That is the point, the job is being wound up. The government has given up on the Prices and Incomes Commission. Although the Prices and Incomes Commission was to serve as a tool to control inflation, the government has given up on it. It has given no indication of what it intends to use in its stead, but it cannot deny that inflation is still with us.

• (3:20 p.m.)

Look at interest rates. I suppose the minister, or someone on behalf of the government, will say the decline in interest rates is an indication that inflation has been mastered. That is pure, unadulterated poppycock. Sure, there has been a downturn, but this has not been generated actively by the government; the government has not been the master of the turndown in interest rates. It has been obliged to follow the flow of interest rates in the United States and the trend of interest rates arising out of balance of payments problems. This is one of the difficulties of being involved in the international monetary fund on a narrow margin regardless of whether there is a floating dollar or not. The interest rate in Canada which had been imposed as a monetary restraint on the government was causing balance of payments problems. We have been obliged to unpeg the dollar as a result. But we have also had to allow our interest rates to follow changes made in the United States. So I say it is not after deliberate leadership action on the part of the government that there has been a decline in interest rates to which the government can point as an indication that they have mastered in any way the problem of inflation.

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We can see, too, from the latest Bank of Canada statistics, that the average interest rates on government obligations, be they 90-day bills, 180-day bills, short-term or long term, bottomed out at about the end of January and the beginning of February and were at that point starting back. My main point in this afternoon's motion is to warn that the government has been complacent; the government is deluding the people if it continues this practice of saying that inflation has been mastered as a defence of its policies with regard to unemployment. They cannot have it both ways.

The last point I wish to make is that as a result of the unpegging of the Canadian dollar there has been a continually increas ng flow of imports to this country. In January, 1971, as against January 1970, there was a net decline of 3 per cent in our export of commodities. To the degree that we are relying increasingly on imports from the United States, Britain, West Germany and Japan, all countries facing varying degrees of high inflat on. We are importing their inflation. Every time we bring in goods from another country at an inflated price we are bringing the inflation to our own country. The only reason this has been mitigated to a degree, a degree which will not be available to the government in the coming months, is the fact that the dollar being unpegged its increasing value on the international market vis-à-vis the United States dollar has hidden the effect of this important inflation. So I condemn the government with regard to its financial policies for having failed to master inflation and having contributed to other consequences indicated in my motion.

Hon. E. J. Benson (Minister of Finance): We have just listened to a most interesting speech by the hon. member for Edmonton West (Mr. Lambert) acknowledging that we have been more successful than any other western country in controlling inflation, that the rise in our cost of living has been smaller than theirs. He cannot criticize the overall picture, so he had to pick out details which he could criticize. The hon. member also supported the thesis to which government spokesmen have been calling attention for some time, namely, that we still have to worry about inflation in the future. This seems directly contrary to the policy of his own party which has been urging me to reduce taxes by some billions of dollars immediately in order to stimulate the economy and place more inflationary pressure upon it as it is moving out of a period of slow growth.

Just over a month and a half ago, the three opposition parties in this House took the rather curious course of issuing a joint statement condemning the economic policies adopted by the government to bring inflation under control and then return the economy to the path of strong and stable growth. The question which was left begging an answer was what alternative action these parties contend should have been taken to resolve the serious economic problems which confronted us. It is, after all, very easy to condemn; it is quite another thing to develop practical and effective solutions.

Early last week, members of the Ralliement des Creditistes provided their own answer to the question left

hanging in the air by the joint statement of the opposition. Canada's economic problems would disappear, they argued, if only the government would adopt social credit monetary policies. From their silence, it can only be concluded that members of the other two opposition parties did not share the conviction of the Creditistes that social credit doctrine offers a cure to all our ills.

Later in the week, Mr. Speaker, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) put forward the alternative course proposed by the New Democratic party to meet our economic problems. The way to ensure the continued maintenance of economic growth, full employment and price stability, he said, is through the institution of economic planning by the federal government. It was quite evident, however, that the kind of state economic planning proposed by the leader of the New Democratic party also commands no support from the other two opposition parties, the Conservatives and the Creditistes.

To complete the circle set in motion by the opposition parties last month, the House today has before it a motion by the hon. member for Edmonton West (Mr. Lambert) which provides an opportunity for the Conservative party to outline the remedy which it advocates to make all our economic problems magically disappear. I am sorry he did not present this remedy. It should be no surprise to find that the panaceas prescribed by the Conservatives may also be rejected by the other two opposition parties.

As I noted earlier, the leader of the New Democratic party contended last week that we can obtain strong economic growth, full employment and price stability simply by the adoption of government economic planning. By itself, economic planning is a concept so vague as to be virtually meaningless, since it has assumed so many radically different forms both in theory and in practice. Certainly the leader of the NDP shed little light in his speech last Friday on the kind of economic planning he proposes to adopt in Canada. He spoke in the vaguest of terms about imposing some form of capital investment controls to see that investment went into job-creating projects and undertakings with a high social priority.

In addressing himself to the problem of inflation in the context of economic planning, he only served to underline the total ambivalence of himself and his party on this important question. His party, he said, had advocated establishment of a prices review board to see, as he put it, "whether price increases were being artificially stimulated or were the result of genuine economic pressures". If this board, which apparently would lack any enforcement power, failed to do the job, then the NDP was prepared to support imposition of mandatory price and income controls, he said.

Last winter and spring, however, both the leader and the deputy leader of the NDP were demanding that the government immediately establish mandatory price and income controls. Speaking in the House on April 28 last year, the hon. member for Nanaimo-Cowichan-The Islands declared:

> Unless the government is prepared to adopt a mandatory prices and incomes policy, we shall completely fail to deal with the question of rising prices.

If the member still believes that, what possible purpose does he consider could be served by establishment of a powerless prices review board?

Vague as they are, it still cannot be assumed the proposals for economic planning advanced by the leader of the NDP actually represent the current views of his party, since this is a question which is at present the subject of strong controversy within the ranks of the NDP itself. One wing of the party is arguing for establishment in Canada of a totally socialistic state, while others favour something in between—if only on the grounds of political realism. I strongly doubt whether there is any consensus, even among members of the New Democratic Party, about whether and how far we should move down the road charted by the NDP leader. Certainly, there seems to be little disposition on the part of the NDP's allies in organized labour to follow this route, particularly if it would involve government intervention in collective bargaining.

• (3:30 p.m.)

In Canada we have long had an economy made up of a mixture of private and public sectors whose course is essentially determined by the forces of the market. Governments in virtually all of the western nations have developed a far-reaching series of policies and programs aimed at harnessing these market forces so that they will work together to produce strong and steady growth. There is no question that over a period of a number of years we have made considerable progress in increasing our ability to harness the forces of the market to serve our ends. There is equally no question that we still have some distance to go before we resolve the basic dilemma confronting the economy of every nation in the world.

As the Economic Council declared in its most recent review, "the most notable shortfall in economic performance on a world-wide basis in the 1960's, and a major unresolved problem for policy, has been the inability to bring about an acceptable reconciliation between high employment and relative price stability." Our economy is constantly being affected by the diverse response of business management, investors, unions, farmers, fishermen and many other groups in the private sector by an ever changing variety of circumstances both at home and abroad. In a free and dynamic economy of this nature, it is no easy task to anticipate the future, nor to judge with great precision exactly when and to what degree any particular fiscal or monetary measure will prove effective in guiding the market forces on to the desired course. This has been particularly the case in recent years, when past experience has proved a poor guide to both the present and the future.

In speaking on the NDP motion last Friday, the Conservative leader said the policies advocated by his party

had, in his words, "not been proved correct or incorrect, because they have not yet been tried in Canada." I take it from the statement of the Conservative leader, Mr. Speaker, that his party is proposing the adoption of economic policies quite different from those followed by the former Conservative government, which brought about the longest period of slow growth in Canada's postwar history. Unfortunately, the Conservative leader has been just as vague as the leader of the NDP in outlining the policies his party actually does advocate. He has, for example, repeatedly suggested that a Conservative government under his leadership would have continued to allow the economy to run at full throttle even though it was very obviously becoming dangerously overheated by the strain of steadily accelerating inflation, quite a different argument from the one put forward this afternoon by the financial critic of the Conservative party.

Such a policy, of course, is directly contrary to the approach urged in recent months by both the Organization for Economic Co-operation and Development and the International Monetary Fund, which have both stressed the prime necessity of moderating economic growth in order to bring the pressures of inflation under control. The Conservative leader himself has repeatedly acknowledges the serious threat to the economy posed by rapidly rising costs and prices, but has contended time and again that this problem could be made to disappear simply by appealing to all sectors of the economy to exercise voluntary restraint.

There is no question that the exercise of such restraint would make an important contribution to the maintenance of reasonable price and cost stability and over a period of many months, the government has urged all sectors of the economy to follow this course. Perhaps in some distant day we will have developed a sufficient sense of enlightened self-interest among the various sectors of our economy to achieve by voluntary action alone the balanced operation of the economy necessary to maintain stable growth in perpetuity.

But, Mr. Speaker, you would have to dwell in some kind of Alice in Wonderland world to come to the conclusion that it is possible today to cure inflation simply by appeals for voluntary restraint. As the Conservative leader is aware, the leaders of the business community did agree last year to comply with the voluntary restraint guidelines proposed by the Prices and Incomes Commission, but declined to extend the agreement into 1971 as the commission urged.

The Conservative leader is equally aware that representatives of organized labour adamantly refused to take any part in the national restraint program urged by the Prices and Incomes Commission. In the past he has suggested that the co-operation of organized labour could be readily secured, although how he has never explained. In his speech last week, the Conservative leader reminded the House of his own meeting with the leaders of organized labour earlier this month. He advised us that he had suggested to them that it is, as he said, "most important to labour that we achieve voluntary restraint based upon consultation and co-operation." Unfortunately, the Conservative leader did not report to us on the reaction to his suggestion of those representatives of organized labour with whom he spoke, but I think it may be fairly concluded from his silence on this point that he was not overwhelmed by an enthusiastic response on their part.

I have noted that the basic approach advocated by the Conservative leader on behalf of his party involved running the economy constantly at full throttle, while relying solely on voluntary restraint to eliminate the buildup of any inflationary pressures. As the leader of the official opposition has acknowledged, such a policy has never been tested in Canada. For that matter, I know of no other country in the world where such a policy has been tested, or even advocated by any responsible authority.

But does that approach really represent the policy of the Conservative party? Just over a year ago the mover of the present motion, who is also his party's financial critic, condemned the government for proposing a $900 million increase in federal spending in the current fiscal year to provide the fiscal stimulus required to begin moving the economy back to the path of strong but stable growth. Today, with all the authority and confidence of Monday morning quarterbacks, the Conservatives criticize us for failing to take action early enough or in sufficient strength to promote a resurgence of sound economic growth.

What were they saying a year ago? They were complaining that we were allowing expenditures to run out of control, and proposing a tax increase. "If there were to be control," declared the Conservative financial critic, "if there were to be a real fight against inflation by fiscal measures, we would be taxing to defeat inflation, not merely to catch up with the bills that are coming into the government." In his motion today, the Conservative financial critic charges that the government's economic policies have failed to curb inflation, have accentuated regional disparity and have failed to promote regional development. In a make believe world in which white is black and black is white, that criticism might be understandable, but in the real world in which we live it is quite nonsensical.

If it is not obvious to hon. members opposite, it is at least evident to the great majority of the Canadian people that we in Canada have made substantially more progress than virtually any other western nation in bringing inflation under control, and certainly a great deal more than our neighbour to the south. This government has launched the most far-reaching and concerted effort to promote regional development and reduce regional disparities ever undertaken in Canada. Moreover, the whole thrust of the expansionary fiscal policies we have adopted progressively since early last spring has been aimed directly at assisting those individuals and regions most adversely affected by slow growth, which in turn provide a stimulus to the accelerated growth of the economy as a whole.

• (3:40 p.m.)

Those policies have been opposed by the Leader of the Opposition, despite the fact that for some years he was

the premier of a province in one of the slow growths areas of Canada. Quite contrary to the terms of the motion before the House, he has not only failed to support the selective measures we have proposed to promote regional development and reduce regional disparities, but he has gone further and proposed the very opposite approach. He has contended that we should make a massive cut in taxes, which would provide the most direct and immediate stimulus to those more wealthy areas of the country least affected by slow growth, and only indirect and retarded stimulus to other regions.

As a result of this series of debates on economic policy stretching over the past month and a half, it should now be crystal clear that the three opposition parties are united only in their opposition to the government elected by the people of Canada. In every other respect they are sharply divided, resembling nothing so much as the scene at the Tower of Babel. Each party advocates policies for resolving our economic problems that are strongly opposed by the other two, and which command little or no support from the Canadian public.

It is becoming increasingly apparent that we have undergone the adjustment process essential to bring inflation under control, relatively quickly and relatively effectively. Now, our major concern must be to find ways of maintaining the resurgence of economic growth presently underway without incurring renewed dangers of inflation.

Mr. David Lewis (York South): Mr. Speaker, the Minister of Finance (Mr. Benson) spent some time satisfying himself that the opposition parties do not agree with each other. That must be a discovery he made last night. Every other intelligent person in the country, and I want you to notice, Mr. Speaker, I said every other intelligent person, has known that to be the case for a long time. Let me say to the Minister of Finance one very simple thing.

Our criticism of the government and I speak only for my colleagues and myself, is that it has refused to undertake the only kind of policy objective that is humane, decent and just in any democratic society, and that is the objective of full employment. That is our first criticism.

Our criticism of the government's economic policy is that it is all tied up with inflationary theories and has deliberately created unemployment. Our criticism of the government is that even now its attempt to steam up the economy is held back by advice which it gets from the Governor of the Bank of Canada, from the Deputy Minister in the minister's own department, and from other people, all traditional, orthodox out-dated economic thinkers, who hold that the unemployment does not matter. They believe that any speed-up of the economy has to be undertaken slowly, and that you must always have a pool of unemployment in order to avoid the disasters of inflation.

Let me say another thing frankly, Mr. Speaker, that no one in my party is unaware of the fact that a full employment policy puts pressure on prices. Indeed, anyone who knows anything at all about economic history knows that the price curve has gone upwards steadily for two or more centuries as a result of the expanding economies of the world. There is no way, and I grant it immediately, in which you can have a full employment policy and not have some pressure on prices. It has never happened.

Mr. Sharp: Why not?

Mr. Lewis: The Secretary of State for External Affairs says "why not". It is not likely to happen because the way in which you expand the economy and have full employment creates certain pressures on prices within the economy. The fact that you are living in a world of exports and imports which affect your economy brings about some pressures on that economy, and the choice society has to make is either the evil, hurtful, harmful choice of massive unemployment and massive loss of production as a result of that unemployment, or the humane choice of a full employment policy and finding means of compensating those who are hurt by an extensive degree of pressure on prices.

Mr. Sharp: Just like a little pregnancy.

Mr. Lewis: No, it is not like a little pregnancy. The minister's mind is in the bedroom. I ask him to bring it back to this Chamber. And I say to him, Mr. Speaker, and to the government that there are ways of compensating those who are hurt by inflation. It is much more sensible to get the extra production, from which the government gets extra revenue which it could use to compensate the old age pensioners, the welfare recipients and the people on low incomes, who are the only people hurt by the rising prices. The government would probably have something left over from the revenue it gets from the added production that full employment produces. This would be the preferable course, rather than destroy the lives of people, which is what unemployment does, and increase the poverty culture in this country, which is what unemployment does, and harrass whole families which is what unemployment does.

My condemnation of the government, therefore, is that it deliberately chose the cruel and inhumane policy instead of a policy that deals with people, that is concerned with the welfare of the 20 per cent or 25 per cent now living below the poverty line, in addition to compensating those who are hurt most by rising prices. I say to the Minister of Finance that there are ways of curbing price increases, and I make no apology of suggesting that direct price controls may in some cases be necessary. The government ought to have the courage to impose them, although I recognize some of the administrative difficulties. I know that will immediately lead the Minister of Finance to say that organized labour ought to agree to a freeze or a lowering of its demand for increased wages.

I reject that as a general proposition because it assumes that the level of wages of all workers is adequate at any given point, that it is just at any given point, and that workers obtaining $1.50 $1.75, or $2. an hour must be kept within the 6 per cent level which Dr. Young suggested. I reject that as further inhumane

exploitation of the lowest paid workers in this country. Let me remind the Minister of Finance that it is still a very small minority of working people who get the kind of wages which could be considered just, and that might be held in line. I agree that there are some in that category.

I am not saying that all organized labour is in all cases reasonable. There are sections of the organized labour movement that have squeezed wage increases out of the economy that one could legitimately criticize. But by and large, the organized and unorganized workers in this country are not receiving the kind of wages that any decent person would say ought to be kept at their present level, or increased only by a small amount.

For a long time we have said that you cannot do anything by voluntary restraint. The Minister of Finance continues to trot out the alleged agreement to hold the line by the business community of this province. Mr. Speaker, I said at the time and I say to the minister now, that I have never in my life seen a phonier document than that which John Young produced. It is a phony as all the other policies John Young and his commissioners have pursued.

I remember the great philanthropic chartered banks of this country agreeing not to increase their charges any more, nor interest rates any more, except within certain limits. Well, by gad by the time that agreement had been signed they had so squeezed bank charges and interest rates out of the Canadian people that there really was no more room for increases. The situation reminds me of the thief who has stolen everything in your house and then stands outside saying, "Don't worry; I am not going to steal anything more." That is about the level of the agreement that was made by the so-called business world on holding prices. That is also true of the retail trade and of the professional people, such as lawyers. They agreed that they would hold their fees at a certain level. They no more held them than did the organized workers of this country.

• (3:50 p.m.)

If there had been a case for holding the wage line, and if inflation had reached a point where that was absolutely essential, then my leader, other members of this party on numerous occasions and the Canadian Labour Congress itself on one or two occasions, have said that if there were an incomes policy which covered all income, wages, salaries, dividends, interest, rent and capital gains, then this should be considered by organized labour as well as by the rest of the community. The essential fact is there simply is no planning in respect of this government's economic policy. The Prime Minister (Mr. Trudeau), I believe around Christmas last year, said we had licked inflation and would go on to lick unemployment. It would be a roundabout affair each year. That is, they would fight inflation one year and fight unemployment the next year. This year he says he is fighting unemployment. Just as sure as blazes, inflation will continue to increase.

Inflation has already gone up one half of one point or of 1 per cent—I do not recall which—in the first months of this year. If it goes on at this rate, we will have an inflation rate of 4 per cent or 5 per cent in 1971. I suppose when we reach that point, the Prime Minister and the government will decide to slow down the economy because they have to fight inflation again. One of the unforgiveable effects of the kind of economic policy the government has followed has been the extent to which it has slowed down the economy thus increasing the number of unemployed to the official figure of 675,000. I venture to suggest that unofficially it is probably between three-quarters of a million and 800,000, because there are many tens of thousands who do not get into the statistics. The kind of misery that has been produced by this policy for two million or three million people has caused a problem so deep that it will not be solved in a year or in two years.

The economists of the Economic Council of Canada say that it will likely take until 1973 or 1974 before we are at a level of even four per cent of unemployment, let alone the three per cent temporary unemployment figure which is considered to be the maximum we should have in this country. The Minister of Finance says it is easy to condemn, and he asks us to tell him exactly what we would do. If one had more than 20 minutes one would, but I do not believe I have many minutes left. I am told I have almost 10 minutes.

Let me say we propose, first, that the government should have full employment as the objective for society in Canada. Under no conditions can Parliament tolerate a policy which deliberately creates unemployment, which deliberately throws men and women out of work and which deliberately throws their families into degradation, misery and loss of self-respect.

Some hon. Members: Hear, hear.

Mr. Lewis: Secondly, we say that a regional development policy such as is being followed by this government should not be continued. This policy is being carried on without a plan and without an objective. It is a passive policy. What happens in respect of the incentives of the Department of Regional Economic Expansion? The bureaucracy sits in the office. It makes no plans. It does not attempt to relate industrial development in one province to another or in one plant to another. It sits in the office and waits for applications from someone for a capital grant or a grant related to the incentive program. It just sits there and waits for, in most cases, the large foreign controlled corporations, such poverty stricken corporations as Proctor-Gamble, or example, or destitute corporations like IBM, really poverty stricken multinational corporations. These corporations, of course, have no capital at all, and without the millions from the public treasury these poor people would fall flat on their faces. The bureaucrats in the Department of Regional Economic Expansion sit at their desks and wait for these poverty stricken philanthropic corporations to make a request for a grant.

There is no planning in respect of the kind of industry the Atlantic provinces should have. There is no relationship in the grants given to the actual local needs of the community or the indigenous possibilities. There is no

attempt to see, if a plant is set up in location "A", that harm is not being caused to a plant in location "B". There is no attempt to integrate a plan of economic development in disadvantaged areas. There is simply a pork barrel from which large sums of public money are paid out, 67 per cent of which is paid to large multi-national corporations. The remaining 33 per cent is paid to other corporations which need it just as badly. If this money were used to fight inflation by compensating the poor who are hurt by it, a great deal more would be done for the economy of Canada than by these colossal, meaningless and harmful handouts to the corporations which pay funds into the Liberal party's election coffers.

Some hon. Members: Hear, hear.

Mr. Lewis: Third, I say to the government that even though the housing program has been improved a great deal, the housing needs of this country are almost limitless. A large infusion of capital to build homes, particularly for the low-income groups, to construct public housing, to renew urban settlements and so on, would create jobs and wealth in this country which would really be worthwhile. We have not done nearly enough. We have not done 10 per cent of what needs to be done, even with the increased capital of Central Mortgage and Housing Corporation.

Fourth, I say we have in this country immense needs at this time in addition to housing. We have pollution problems which require a massive infusion of capital, particularly for the municipalities which do not have any funds and which have inadequate sewage treatment plants. Until such time as we do something in this area, much of our pollution difficulty will remain and the speeches by ministers of the crown and Members of Parliament generally will be merely expressions of a pious hope. That is another area where jobs could be created, and where the quality of life of the Canadian people could be immediately improved, if the federal government had any imagination or concern for the welfare of the ordinary people.

Finally, I say—and there are many other points I could cite—that our whole tie-up in the American economic straitjacket, our dependence on the multi-national corporations for research and development and the fact that our natural resources are owned mainly by these corporations, not only American but British and Japanese, has meant we have exported jobs. We have failed in respect of what we ought to do in society which is build viable communities in northern Ontario, northern Saskatchewan, northern Quebec, northern Manitoba and parts of the Atlantic provinces. We should be building viable communities around the natural resources by placing at these locations the refining, smelting and processing plants as well as manufacturing plants that would enable the development of those communities. These are some suggestions I make to the Minister of Finance and to the government, but I have no hope that they will be accepted.

• (4:00 p.m.)

I have no hope that the government will change its policy because, as I have said on many occasions and I mean it profoundly, I do not think this country has ever had a more conservative government, tied to the principles of the corporate control of the economy, than the government headed by the present Prime Minister (Mr. Trudeau). I do not believe that this country has ever had a government more given to looking at curves, diagrams, tables, constructions and technocratic details to the detriment of the welfare of the Canadian people than this government. I am quite certain that the governor of the Bank of Canada, the chairman of the Prices and Incomes Commission and all the other out of date economic advisers, will have much more influence with the Minister of Finance than we in this corner of the House can have.

History will record the immense harm which has been done, not only to the economy generally but to the life of so many millions of people in this country. Tonight, we intend to show our displeasure, at least at the workings of John Young and his little band of economic gravediggers, by voting against the supplementary estimate for Dr. Young's little band. I hope that others who see the situation in Canada, and have the courage to declare themselves, will join us in denying this wasteful amount of money to a wasteful, unnecessary, useless and harmful so-called commission.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, more than ever it can truly be said that we live in a mad world and that we are being governed by the most remarkable of these madmen.

We have now been engaged for several weeks in debates on the economic situation in Canada, increasing unemployment, problems of product marketing and so on. Furthermore we see flagrant contradictions between the utterances of government members and those of official opposition members, we have heard proposals which have been tried, without result leading the opposition to put forward the motion now before the House.

Officially, there were 675,000 idle Canadians in February; 1,800,000 students will soon be looking for summer jobs. According to unofficial statistics on other unemployed; they number 200,000 or 250,000, which gives a total of nearly 2.5 million people who will be looking for work within a few weeks.

In view of this situation and for a year and a half we have often heard the government say: We have to fight inflation, therefore we will restrict credit. We shall ask the Canadian people to tighten their belts. The result has been a greater number of unemployed. A few months later, on December 24 last, the right hon. Prime Minister (Mr. Trudeau) said and I quote:

[*English*]

We've Licked Inflation: PM

Prime Minister Trudeau said flatly Wednesday: "Inflation no longer exists in Canada".

[*Translation*]

He also said the economic recovery would take place in a few weeks.

Mr. Speaker, on March 24, that is three months later, the hon. member for Montreal-Bourassa (Mr. Trudel) made the following statement before the Board of Trade:

Inflation is about to be brought down.

Three months ago, the Prime Minister said: "Inflation no longer exists in Canada." One of his colleagues said this last night in Montreal: We are about to control inflation.

The Governor of the Bank of Canada said, a few days ago: Inflation will be worse in a few months than last year. Besides, Mr. John Young declared: I am not responsible for the high unemployment rate in this country. But who is responsible? He condemns the government for the high unemployment rate in Canada. So, this government is responsible. I agree with him, but let the government take measures to fight unemployment efficiently.

A short while ago, the Minister of Finance (Mr. Benson) said: It is easy to condemn, but quite another thing to suggest.

But we have just a suggestion from the hon. member for York South (Mr. Lewis) concerning full employment. Where can we employ 675,000 unemployed and 1,800,000 students, this coming summer? Let them make shoes, clothing, food items.

A bill was introduced recently concerning the marketing of farm products under the pretext that farmers could be convinced that marketing provided by an agency of the government, or a governmental commission, would facilitate the disposal of their products.

We are in favour of marketing, but even if we overstocked stores with all sorts of products, if the Canadian consumers have not enough purchasing power to buy all that has been marketed, these products will not be sold and consumers will find no satisfaction. That is because we do not approach their problem from the right side. We try to solve what has already been solved. There is no production problem in Canada. That is obvious. The problem is simply one of consumption.

• (4:10 p.m.)

That is the whole problem. Instead of endeavouring to finance consumption, legislative proposals are made for the financing of production, and that is done at a time when consumption is inferior to production, because there is not enough purchasing power.

Mr. Speaker, we have for a long time been asking the government to pass legislation to compel the Bank of Canada, Mr. Rasminsky and his helpers, to be at the service of each of the provinces, so that they may form a strong family. That would ensure the disappearance of the conflicts between Ontario and Quebec with regard to chickens, between Manitoba and Quebec in connection with eggs, and between the West and the East with regard to the assistance given to agriculture.

Mr. Speaker, if the Bank of Canada were compelled to finance the provinces, municipalities and school boards through interest free loans, many problems would be solved. However, when the Ralliement créditiste advocates such interest free loans, it is ridiculed.

Alleged Failure to Improve Economy

The Secretary of State for External Affairs (Mr. Sharp) has just returned from Africa. I heard him on television the other night, reply to a reporter that he had granted over there, on behalf of the Canadian government, interest free loans amounting to more than 20 million dollars for periods of 50 years plus 10 years of grace, 60 years all told, and that it would render service to India, the Congo and all European countries.

Mr. Speaker, the minister stated to the reporters: "You understand that the loans which we are granting enable them to buy Canadian products and create jobs for Canadians." What a sensible way for a minister to answer! I understand that the fact of buying in Canada will create jobs here, but we are not against helping those countries. However, with the same funds, would not our provinces use Canadian products and manpower? Would not our municipalities help create jobs, by implementing the projects they have in mind? But no! Their activity is paralyzed for the simple reason that there is no money. It goes as far as forcing a provincial premier, as the premier of Quebec did last week in New York, to beg the Americans to please come and invest their funds in Quebec!

But American money will not be brought into Canada. It is a matter of figures. We are not bright enough to make up our own figures, through the Bank of Canada, in order to finance Quebec, Alberta, Ontario and Manitoba. Why? Why are American figures so much more powerful than those of our Canadian leaders those based on the work of Canadians?

Then, there will be talk of trade. What are the Americans interested in? In knowing how Canadian money is made? Whose picture appears on one dollar, twenty-or one hundred-dollar bills? In some of the states in the Southern United States, Canadian money is not even accepted. They think it is Mexican money. They do not know what it is. Even cigarette vending machines would not accept the Canadian quarters of the Minister of Regional Economic Expansion (Mr. Marchand). They throw them back at the face of people.

I submit, and we of the Ralliement créditiste have kept repeating it for a long time, that we should try the experiment. Instead of being dominated by Mr. Rasminsky, let us spell out to him the financial policy we want. There are a lot of things to be accomplished in Canada. We would experience a shortage of manpower if the provinces could administer themselves as they wish. We would not hear from one province to the other: we pay taxes in British Columbia in order to give equalization payments to the province of Quebec. The English population is roused against the French population, the western businessmen against their eastern counterparts. We would not hear western farmers say: if we do not get enough money for our wheat, it is because to much money goes to the east. In Eastern Canada, we hear exactly the same thing.

I am sure, Mr. Speaker, that with a policy of interest-free loans just like the ones which we are granting to African countries, to India, and to other countries, we are not being stingy. We have now loaned somewhere around

$1 billion to India, and we are not charging any interest. I agree that we have to help these people. But why not start by helping our own cities and towns, provinces, school boards? They all have problems of their own which are just as serious as those that do exist in Europe, in Africa, in Latin America, or in any other country.

Mr. Speaker, it is too bad that the government does not take our suggestions more seriously. They have tried everything to fight inflation. Did they succeed? No! In fact, prices have not come down in Canada. What about creating new jobs for manufacturing new shoes or clothes? There is already too much of all that. Trade agreements covering textile products are at this moment being negotiated with Communist China, for instance.

We go and get textile products there, while we cannot even use those which we produce. We meet with the same difficulties in every area. Why? Not because people have too many goods at home, but because they lack purchasing power. If these people had an opportunity to buy products, there would be no farm machinery surplus at Massey-Ferguson's, in Toronto, for instance, where they are laying off 2,700 workers who were employed by this company for 20 to 25 years, on the grounds that their inventories are too high and they have too many machines in stock.

It is true that Massey-Fergusson has too many farm machines in its yards or in its warehouses. But let us visit the farmers of Canada, to see whether they have too many machines. They cannot afford to buy any. So they just exist, they just live sparsely year in, year out, week after week, month after month, by resorting to small expedients.

Farmers do not have the machines they need and Massey-Fergusson has too many. Then the government suggests its solution: perhaps we could help you out in giving you so many dollars per job created to produce more machines, to increase inventories and to step up production. It has been announced that this year the Canadian national production will be $90 billion and that the national revenue will be $65 billion.

However, when will we be able to buy $90 billion with $65 billion? This is where the problem lies and the government does not want to solve it. They are trying to fool us with bills respecting marketing and industrial promotion. They overlook or forget to help the consumer who will make the industry viable through his purchases. When consumers buy products, it is clear that stores will look to industries for supplies, and this will create jobs. This will be a better deal for the Minister of Regional Economic Expansion because products will sell.

Mr. Speaker, we suggest that the financing of the public sector of the national economy should be done through interest free loans from the Bank of Canada. Mr. Rasminsky should stop twiddling his thumbs and singing us the same songs: This is inflation, this is unemployment; this is inflation, this is unemployment, tighten your belt; things will be tough, tighten your belt!

While he is telling us: Tighten your belt the Minister of Finance tells us in a book entitled officially: "How Your Tax Dollar is Spent"—yours and mine, Mr. Speaker—and I quote:

> The federal government will give approximately nine cents of your dollar in cash payments to the provincial governments.
>
> Canada's public debt amounted to $38 billion on October, 1970, and the Minister of Finance has forecast new government borrowings of $1.9 billion.

A total of $1.9 billion will be borrowed during the 1971-72 fiscal year.

I finish the quotation:

> These borrowings will cover an anticipated $600 million deficit in the fiscal year, and a $1.3 billion net cash requirement for non-budgetary investments such as housing, transportation, and loans to developing countries.

Interest free loans, it says so in the book. I mean the $1.3 billion that do not appear in the budget but that will be spent in order to assist underdeveloped countries.

• (4:20 p.m.)

I read further:

> Paying the interest and other charges on this debt is going to cost $1,995 million—

That means $2 billion paid in interest on the national debt.

The Minister of Finance adds:

> This interest payment is almost wholly a return on investments in Canada by Canadians.

Where are the Canadians who will get a part of that interest payment? That is a question I ask at public meetings: Those who get interest from the government, please stand up. Out of 1,000 or 2,000 people, not even one stands up.

I could even ask that here in the House of Commons: Where are the members who get interest from government bonds? The minister will agree with me that not 10 per cent of them do. Where do those loans come from?

Mr. Marchand (Langelier): From all those who have purchased Canada Savings Bonds.

Mr. Caouette: The minister mentioned the Canada bonds which have been deposited as collateral with a chartered bank which is cashing in the interests solely to the benefit of Canadian capitalists. The two million unemployed in Canada—10 per cent of the population—what do they get from these interests? It is everywhere the same thing. But once again the chartered banks are not involved. When we borrow from the United States, the interests are paid to American businessmen, a fact the minister knows as well as I do. Most of the interests are paid by the Canadian government and this has been lasting for a long time.

In any case my time has expired, Mr. Speaker, and I am more convinced that the Créditiste proposals should not be laughed at for they deserve serious consideration on the part of the ministers and if someone has some-

thing to say against them let him speak out, instead of speaking of "dollar machines". Let us speak of security and freedom for all Canadians who have guts and are responsible, who have muscles on their arms to develop their country and make Canada the best country in the world.

[*English*]

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, here we are, on March 25, 1971, still talking about inflation, unemployment, taxation uncertainty and regional development. At least we are hearing ourselves talk and one year from now some of us will stick out our chests and say, "We told you so" when we refer to what we said. I wonder to what extent we can make recommendations? I wonder if it is all meaningful when we make our positions and recommendations known to the government, which seems to be on a supreme political ego trip and which is so "stoned" with political self-righteousness that it will perhaps take another election to bring them back to some kind of reality. The Prime Minister (Mr. Trudeau) is still convinced that flower power or flitting around the countryside and indulging in various other escapades can cure the economic ills of the country. We heard the Minister of Finance (Mr. Benson) this afternoon say that we have turned the corner, that all the economic indicators show we are in for a very good year in 1971; we are over the hump so "hold on boys, because help is on the way". He again accused all opposition members of exaggerating the extent of the recession in Canada and the seriousness of our economic problem.

An hon. Member: Shame.

Mr. Lundrigan: Right now, I understand he is meeting with representatives of the Canadian Chamber of Commerce, who are to recommend to the minister selective corporate and personal tax cuts, which we have recommended for several months. I just wonder if he is going to shrug his shoulders, chew his pipe and give the same kind of inconsiderate response to those people, to the economists and to the business community, as the Prime Minister and his merry men have given to the representations the opposition has made day after day in the House of Commons. If he is to react that way, I guess we are all out on a limb. An hon. member preceding me said that in Canada we are at present experiencing the lowest rate of capital expansion and the lowest rate of investment by individuals that we have seen in the past 20 years. We have another first, Mr. Speaker. We have the highest rate of business failures in the history of Canada.

An hon. Member: Shame.

Mr. Lundrigan: Twenty two hundred businesses went under in Canada in 1970, compared with the 340 fewer businesses which failed in the previous year. That is the situation in the Canadian business community, and that shows how desperate it is. Businesses are failing that otherwise would have hung on; businesses are cutting back that otherwise would have held their own; businesses are holding their own that otherwise would have expanded, and many businesses that might have been begun have not opened their doors because of the tremendous uncertainty existing in this country at this time.

One big company did not spend $160 million for expansion in Wabush, near Labrador City, Newfoundland, an area of Labrador that is one of the great mineral and resource areas of this country and one of the great hinterlands of potential development. We saw this $160 million chopped out of an expansionary program by the company concerned. It did not spend the money that would have created hundreds and hundreds of jobs. Unemployment in this country, I submit, is running even higher than Dominion Bureau of Statistics' figures indicate. To be quite honest, Mr. Speaker, I question those figures. I question the kinds of procedures being used to reflect the actual unemployment figure. Even with that diluted picture of the extent of unemployment, we see that the figure has climbed to 675,000. There are 92,000 people in ugrading courses. People who are experts in manpower development say that much of the money to these 92,000 people could just as well have gone into welfare programs, because the upgrading is just a makeshift affair.

As I say, 92,000 people are taking upgrading courses at the moment. God knows how many people are actually unemployed in this country. Some people mention the figure of three quarters of a million. Others say that the actual total number of people looking for work is close to the 1 million mark.

Mr. Paproski: Shame.

Mr. Lundrigan: There has been some talk in the House about the consumer price index. In the months of January and February, the rate of inflation was .9 of 1 per cent. During the same period last year, the rate of inflation was 1.5 per cent. I will not argue that we should use some sort of average and say that we shall experience a 6 per cent rate of inflation during the coming year. I think the spokesman for the New Democratic Party indicated that he expects mass national unemployment to reach levels higher even than those experienced in the 1930's.

In this country there is a program of regional development. Despite the glorified promises of the Prime Minister during the past three years that major action will be taken to eliminate regional disparities, unemployment in one province in Atlantic Canada increased in February by 3 per cent over and above what it had been in January. The percentage of unemployment in Prince Edward Island climbed from 8 per cent to 11.2 per cent; in Nova Scotia as well, it increased substantially. In Newfoundland—well, I hardly dare even talk about it. There unemployment reached a level of 15.2 per cent; that is approximately the level it reached during the depression in the 1930's in Canada.

At the same time, the Minister of Regional Economic Expansion (Mr. Marchand), who is presently in the House today, has been working on the problem of regional

disparities. He has bragged about the creation of 60,000 jobs. While he has been doing this, the unemployment rate in Atlantic Canada has climbed, and in Newfoundland it has reached 15.2 per cent. How can you brag about the creation of job opportunities to the people in my part of Canada, where there is so much disparity, so much unemployment and where the outlook for 1971 remains so bleak? I do not know whether the minister is making such statements to them; frankly, I do not think it makes much difference to the people in that part of Canada what the people in this House say. I do not suppose they care what the official opposition says, because they know that the Prime Minister of the country is going on his merry way, full speed ahead, or astern or sideways and to hell with the consequences. That is the attitude of the Prime Minister and his merry men who serve him.

Today the estimates committee passed, on division and with great resentment, the $2 million expenditure for the continuation of the Prices and Incomes Commission. I introduced the motion to reduce the figure to $1. We asked the commission to tell us what its terms of reference are for 1971. What is it to do? What are its goals for 1971, and what is it setting out to do? We cannot get a word on that. We do not know from the commission what it will be doing in 1971. There is absolutely no reason for the commission's existence. It is nothing more than a public relations effort by the Government of Canada. The commission claims it will undertake basic research. Now, Mr. Speaker, a man of the calibre and intelligence of Dr. John Young knows that no intelligent Canadian can accept that story. Surely, we are not to spend $2 million on undertaking basic research when the period for which the commission was set up runs out, I believe, in December. How can any intelligent individual accept the story that research in economics will be undertaken by the commission to assess the relationship between prices, costs and incomes and the Phillips curve, if that is what economists call it, or the interrelationships of all these factors over the past 50 years, when the period for which the commission has been set up is to expire in December, 1971.

Why does the government not listen to the Economic Council of Canada, which has undertaken 30 or 40 such studies I believe, studies which have been largely ignored. The commission seems to concentrate on one of the five major goals outlined by the Economic Council. I am not going to say that this government has introduced bad policies. I do not think we have had bad policies. I do not think we have had policies of any kind, good or bad. We have had government by experimentation in this country.

• (4:30 p.m.)

Some hon. Members: Hear, hear!

Mr. Lundrigan: Last year the Prime Minister decided to impose some kind of restraint or stagnation to slow down growth factors, demand factors or whatever they call them. I am always confused when they get involved in economic theory because I am an ordinary citizen. I am always confused when I listen to John Young and the Prime Minister, both of whom are competent at disguising arguments and presenting situations so that they sound logical.

Last year the government decided to experiment by killing inflation. This policy was not related to our export markets. Our basic aim should have been to keep inflation at least in line with that of the United States, our major export market. The inflation rate in the United States was 4.7 per cent last year, while in Canada it was 1.5 per cent. This was mainly because of the price cuts on food. No one knew what the goals of the government were. The government did not try to solve the problem of a trade balance, nor did they try to achieve the best possible balance between the level of unemployment and inflation. Since they did not know, they experimented. The government went ahead with an ad hoc program, and the result is that we have a tremendous economic mess.

The government is trying to pull a Dunkirk. They do not know whether they should back away or how much they should stimulate the economy. The result is that in 1971 the government is again gambling that things will work out all right. If things do work out all right, the government will be returned to power. If not, we hope the government will be out on its so and so in a hurry. I will not continue with this line of argument because I only have 20 minutes.

Mr. Perrault: Hear, hear!

Mr. Lundrigan: The hon. member for B.S. is at it again. Air pollution in Canada will become greater when he speaks in a few minutes. I expect the minister responsible for the control of air pollution will have to rule him out of order.

Mr. Perrault: This is a profound contribution to the dialogue.

Mr. Lundrigan: At least it is dialogue, and not monologue.

Mr. Perrault: The big man—

Mr. Deputy Speaker: Order.

Mr. Lundrigan: I accept the statement that it is dialogue. I am honoured.

Mr. Perrault: Back room dialogue.

An hon. Member: You are the expert.

Mr. Lundrigan: If Your Honour can bring the hon. member to order for just five minutes, I will get on with my suggestions. The minister has asked for suggestions. Although these are my own suggestions, they have the support of my party and other people in Canada.

The first priority is that the minister should clear up immediately the uncertainty with regard to taxation in this country. The business community is not aware of what the government intends to do about taxation. Instead of expanding, people are cutting back. I have talked to a lot of small businessmen, especially in the lumber business. They are not ordering lumber. They do

not want to expand because they do not know how much tax they will have to pay. It is simple economics, but the fact is that they are not sure. The whole matter of taxation must be cleared up by this government.

The Minister of Finance should seriously consider our suggestions and recommendations for selective tax cuts. The Canadian Chamber of Commerce will be making the same recommendations this afternoon. Other parties have made these recommendations. We are not suggesting that the government should do away with $1 billion or $2 billion in tax revenue tomorrow. However, they should seriously consider reducing taxes, at least on certain levels of income and in certain areas of the corporate community. Perhaps the tax could also be removed from building materials.

The government should set out its goals for 1971. What are the government's ambitions, aspirations and goals? What rate of unemployment will the government tolerate? What does the government consider as full employment? What is the government's ambition with regard to inflation and how much inflation is it prepared to tolerate? How much trade-off is it prepared to give? What are the government's major economic policies for 1971? When we ask the Prime Minister these questions, he throws them right back at us by asking for our suggestions. He refuses to state the circumstances we face and the goals of the government for 1971. Even though the president of the United States has much more power than the Prime Minister, he is not prepared to take that kind of gamble. He tells the nation what he expects and sets out the goals for the American people. What about our Prime Minister?

Mr. Deputy Speaker: Order, please.

Mr. Lundrigan: I will be finished after one more sentence, Mr. Speaker.

Mr. Deputy Speaker: I must advise the hon. member that his time has expired.

Mr. Lundrigan: I suggest there should be a federal-provincial conference, and a review of the economic expansion policies which are causing serious difficulties in the country. They are not doing the job they have been designed to do.

Mr. Deputy Speaker: Order, please. The hon. member's time has expired.

Hon. Paul Hellyer (Trinity): Mr. Speaker, for some months I have been observing with increasing concern the unfortunate consequences of the government's economic policies. I have now come to the conclusion that, notwithstanding the obvious difficulties of a government supporter speaking critically of its policies, I feel that I must.

Some hon. Members: Hear, hear!

Mr. Hellyer: Many of the people I represent have been adversely affected, some of them tragically so. In consequence, Mr. Speaker, I have no alternative but to speak on their behalf.

Alleged Failure to Improve Economy

Technically and financially, the government's policy has been a near total disaster. Morally, it has been a total disaster.

Some hon. Members: Hear, hear!

Mr. Hellyer: More Canadians are unemployed now than at any time since the great depression of the 1930's.

Some hon. Members: Shame!

Mr. Hellyer: As a percentage of the total labour force, our unemployment is the highest of any industrialized nation.

An hon. Member: That is our forward government.

Mr. Hellyer: This is clearly unacceptable.

Some hon. Members: Hear, hear!

Mr. Hellyer: There is terrible degradation attached to involuntary unemployment.

An hon. Member: Those are regrettable side effects.

Mr. Hellyer: Of all the problems that I have had to face as a Member of Parliament for over 20 years, this has been the worst. It has family consequences that are difficult to describe. In the last few months I have received letters from constituents who have lost their homes because, when their employment ended, they were not able to maintain their payments. I have received letters from others who have lost their total life savings. I hve received communications from others who have lost their appliances and some who have lost their dignity as human beings. They describe it as a hopeless situation.

In a sense, the present situation is worse than the great depression. At that time, almost everyone was in trouble. There was a kinship and a bond between people who were similarly affected, fellow sufferers. There was no sense of personal failure because the situation was almost universal. It was clearly beyond the ability of any individual's influence. However, today the strongest members of the strong labour unions are better off than they have ever been before. The strongest working members of the middle class are better off than ever before. It is no credit to many of the middle class that the present situation is accepted with such complacency. In my opinion, as a nation we should be ashamed.

• (4:40 p.m.)

But why should we subject ourselves to the situation? Is it all in the name of fighting inflation? If so, and if that is what we believe, we ought to examine the success achieved in that field. On the basis of 1961 equalling 100, the changes in consumer price indices have been recently as follows: 1967-68, 4.1 per cent; 1968-69, 4.6 per cent; 1969-70, 1.5 per cent. On the surface this appears to be a substantial reduction from the standpoint of fighting inflation alone a considerable success. Further analysis, however, indicates that much of the decline can be attributed to unusual reductions in food prices which are almost certainly temporary in nature. Food accounts for almost 27 per cent of the weighted price index. If food

costs had risen in 1969-70 at the same rate as in 1968-69, the total increase in the consumer price index last year would have been 3.5 per cent. Or, if food prices in 1969-70 had risen at exactly the same rate as the average of the other components of the price index, the year to year increase would have been 3.1 per cent. If it is far to assume that the government's economic policy was irrelevant to the decision of the supermarkets to commence a price war which was involved, in the shortrun, selling food at less than cost, then the real reduction in the inflation rate resulting from the government's policy lies somewhere between 1 and 1½ per cent.

Who has benefitted from the more modest rate of price increases? The people with money have benefitted, the people with money in the bank. The people who have purchasing power have benefitted from this reduction in the rate of inflation. The strongest trade unions have benefitted. The working middle class has benefitted and to a certain extent people living on fixed incomes have benefitted.

Who has suffered? The unemployed have suffered. They are out of luck altogether. Little advantage for them to benefit by a reduction in the rate of inflation to 1.5 per cent if their income is down by 30 per cent—in the case of some of my constituents who are unemployed their incomes are down by a good deal more than that. The young people of Canada have also been disadvantaged. There are not enough jobs to go round. The capital flow for new investment has not been sufficient to provide meaningful opportunities for the large numbers of young people now entering the labour market.

In considering the question of inadequate capital, we must take into account lost production due to the economy operating at less than capacity. Based on the Economic Council of Canada Report "Performance and Potential, mid-1950's to mid-1970's" the following figures are significant. Expressed as a percentage, the gap between actual and potential performance in 1969 in terms of 1967 dollars, was 1.8. In 1970, the gap actually doubled and in terms of 1967 dollars was 3.5 per cent. Still more significant, and of even greater concern, is the fourth quarter performance in 1970. In that quarter, in terms of 1970 dollars, the actual performance was 3.9 per cent below the potential of $90 billion. This means that if the fourth quarter gap were projected for a whole year the loss in terms of 1970 dollars would amount to $3½ billion. Expressed one way, this means the loss of 50,000 new houses at a cost of $20,000 each. If the balance of that lost production had been used for capital goods 100,000 jobs could have been provided, based on an average capital requirement for new plant and facilities of $25,000 each.

Of course, the extra production could be used in other ways. It could be used for slum clearance or pollution control or rehabilitation of run-down areas, or urban transportation. It could be used to meet any one of the priorities which have been established governmentally and collectively in our country. It could have been used for anything. The tragedy is that the potential was all lost. It is like water flowing over a falls. It is gone, and it is gone forever.

In addition, as a result of our own failure to produce more and save more, we have become more rather than less dependent on foreign capital to regain our momentum. There is something humiliating about seeing premiers going hat in hand begging for foreign investment to get the economy moving again.

An hon. Member: Right.

Mr. Hellyer: Get it going again we must, because the present situation is quite unsatisfactory both in the short and the long run. There is no reason why there should not be enough jobs to go around. The only reason in my opinion, and this applies equally in Canada and the United States, is poor economic management. The right to work is a fundamental right. We can and we must operate our society in such a way as to enable any able-bodied person who wants to do so to find meaningful employment. It is not just a question of the economic input. It is a question of human dignity, it is a question of the right of an individual human being to make a contribution, it is a question of the right of an individual human being to be needed. The right to work is a fundamental freedom.

Government policies designed to change the direction which began about a year ago have been slow and somewhat ineffective. Many government expenditures have the result of encouraging people not to work. You do not solve economic problems that way, neither do policies designed to subsidize industry which is otherwise uneconomic to locate in out-of-the-way places. It is a palliative, expensive and highly questionable to boot. But these things can be discussed at greater length on another occasion.

Today, in the time remaining, I should like to make some positive suggestions; I believe it is not fair just to criticize without offering alternative solutions, and I intend to be constructive. First, I tend to agree with those who suggest there should be immediate substantial tax cuts.

Some hon. Members: Hear, hear.

Mr. Hellyer: I believe that these benefits should apply to people who need tax relief most. This would create an immediate demand in the marketplace; it would help get the wheels turning because it would put money into the hands of people who spend it and, in the process, soon produce jobs.

Second, I would suggest a further reduction in interest rates. This would encourage expansion and help make funds available to Canadian industry to build new facilities. It would provide capital for investment in industry. Third, and this is related to the previous suggestion, I believe we should ensure that virtually unlimited funds are available for the rehabilitation of housing which is in disrepair and for the construction of new housing. I believe there should be no limit in this direction until the industry is operating at capacity. This would have a powerful multiplier effect. If properly done and not exaggerated, this would help bring down prices since the increased supply would tend to put a downward pressure on prices of existing housing as well as rents.

• (4:50 p.m.)

These suggestions, taken as a package, would accelerate the economic growth of this country and would help provide jobs soon for those desperately in need. I fully realize the Conservative economic school will say: "All right, so you put people back to work; you will have rampant inflation again". That is quite right, Mr. Speaker; in the absence of other policies that is exactly what will happen. Of course, it would not be all that different from what is going to happen anyway, even with the slow rate of economic recovery. The seeds of new inflation have already been sown by the wage and salary settlements of 1970 which, in the more powerful industries with 500 employees or more, averaged 8.8 per cent. This means that with the return to a full employment policy in Canada the inflation rate would go back to a level not too different from what it was in the first place. Indeed, if all the people in Canada received wage and salary settlements comparable to those who have already managed to demand and obtain for themselves 8.8 per cent, we would have a higher rate of inflation than we have had at any time in the past 20 years since the Korean war. There is only one way that this can be avoided and that is immediate mandatory price and wage guidelines. There is no other way I know of to pursue the dual policies of full employment and stable prices.

I must explain here what I mean by mandatory wage and price guidelines. I do not mean the government setting individual wage and price levels, because I know from my own experience that they are not competent to do that. I mean that they would limit capital return on industry investment to that which has taken place over the long term, and this must be sufficient to ensure the attraction of the new capital which is required for further investment. Wage increases would be limited to the average increase in physical output per person in the labour force, and this too could be averaged over a period.

Like Galbraith, I believe that this policy is necessary only in that part of our economy that is semi-rigid; that is to say, the huge oligarchies and their powerful unions. The small businessman and the marketplace would then follow suit. It was too much to expect a voluntary wage and price agreement, one that would work. Labour had no confidence in the ability of business to hold down prices in the long run; business was skeptical about labour's co-operation and neither had confidence in government being prudent in holding its expenditures in line. For that reason, Mr. Speaker, I believe that mandatory guidelines are a must. They must be reasonable, they must be comprehensible, and they must be consistently applied.

However, confidence in government must be restored, both in the free system that has been the basis of our strength and in Canada at large. Therefore, I urge the government to abandon its archconservative approach to economics, and I urge it to adopt 20th century solutions to 20th century problems. I urge it to give ordinary citizens a break, those little people for whom the Liberal party should be fighting. Because that is the traditional liberalism. I can assure the government that if it does that, and takes the action required to meet the needs both of my constituents and millions of others like them across the country, it will receive the direct gratitude of the hundreds of thousands affected as well as the respect of all of us.

Mr. Erik Nielsen (Yukon): Mr. Speaker, we have heard a strong and courageous speech from the one man in the Liberal cabinet who had enough courage to quit when his views were contrary to those of the majority and to the direction the cabinet was taking. Having listened to the speech of the hon. member for Trinity (Mr. Hellyer), I reflect upon the reason given at the time he left the cabinet over a dispute as to the manner in which the government was pursuing its housing policy in this country. If one pays careful attention to what he said, the differences ran far deeper, and I will have something to say about those differences in a moment.

I have said that it was a courageous speech. He is the one member in that mess over there, and in the rump on this side, who has had the courage and the guts to say the things his constituents want him to say. In my view, having regard to the direction that the Liberal party and this Liberal government are taking today in leading this country into a socialistic morass, this is the one man who can lead the Liberal party back to Liberalism.

The hon. member calls for a restoration of confidence in the free system. So do we. He calls for this government to redirect itself to the protection of the little people who once used to be the main concern not only of the Liberal party but of all political parties in Canada. It is these people for whom the Liberal party, the Liberal government, should indeed be fighting.

Instead of that we find ourselves being led down the socialistic path to state control and absolute power over the rights of the individual and freedom of enterprise in this country. He is the first Liberal on that side of the House that I have heard stand in his place and say it like it is.

Some hon. Members: Hear, hear.

Mr. Gilbert: About time, too.

Mr. Nielsen: Yes, it is about time. This government has been in office now under its present leader for almost three years and great changes have taken place, changes that are almost subliminal and have not been emphasized by the media of this country or brought to the attention of the people of Canada in the manner in which, in my view, they should have been brought to their attention. I shall be taking an inventory of those changes in terms of what they have cost the Canadian people, not only in dollars but in the loss of their freedoms, freedoms that are being siphoned off slowly but surely.

Let me deal for a moment with the growth of the Prime Minister's office itself. All of these things that contribute to the cost of government contribute just as

directly to the inflationary situation in which we are in today. The Prime Minister has 29 cabinet ministers. He has a huge Privy Council office, plus a personal office, with program planners, regional desks, legislative assistants, public relations and tour co-ordinators, and a plethora of other specialists. Extensive planning of cabinet agendas and preparation papers are now mandatory. There is a great sea of cabinet committees, parliamentary committees, Senate committees, caucus committees, interdepartmental committees, intradepartmental committees, federal-provincial task forces, commissions, boards and a blizzard of study groups, as a former executive assistant to the hon. member who has just finished his speech put it in a recent speech to the Canadian Club in Toronto. Yet despite all of this octopus-like growth in the Prime Minister's office, despite the great gobs of public funds being used to support this growth, the quality and the quantity of the legislation and policy proposals have declined.

• (5:00 p.m.)

Let us look at some of the opinion that has been expressed with respect to this growth. On April 9, 1970 it was disclosed in a newspaper article that when the right hon. member for Prince Albert (Mr. Diefenbaker) was Prime Minister he had an office staff of about 15, and by Mr. Pearson's time that staff had increased, but not alarmingly so. But in 1970, under the present Prime Minister (Mr. Trudeau), his office staff had grown to 75. The salaries involved are even more impressive. Marc Lalonde, the Prime Minister's principal secretary, accepts a mere $35,000 a year. Ivan Head, legislative assistant, is in the $25,000 to $30,000 bracket. Mr. Romeo LeBlanc, head of the Prime Minister's press corps, is in the $20,000 to $25,000 bracket. Three members of the press corps are paid between $15,000 and $17,000; a fourth is in the $12,000 to $15,000 range.

Then there is special assistant James Davey—$20,000 to $25,000—and four other assistants who are paid between $15,000-$17,000. Naturally, there is an administrative secretary—Mary E. MacDonald, $17,500 to $20,000. There is even a "desk officer", whatever that is, at a salary said to be between $17,500 and $20,000.

The article went on to say that the numerical strength of the Prime Minister's office has been the subject of not inconsiderable comment by a number of hon. members, including the Leader of the Opposition (Mr. Stanfield).

As for the ordinary citizen, he will be perhaps forgiven if he sometimes wonders why it is necessary to have such plain people as Members of Parliament or Cabinet Ministers to assist the prime minister in running the country when he has in his own office, such a formidable legion of highly paid mercenaries.

A few short months later, in September of that year, another newspaper article pointed out that the cost of 117 special advisers employed by the Cabinet amounts to $1,451,849. What is happening to Parliament while we see this kind of growth proliferate, not just in the Prime Minister's office but in the offices of all the ministers? the usefulness of this institution is reduced.

This institution has always been responsible for the safeguarding of our freedoms and liberties. It is in Parliament that the free exchange of ideas and the clash of opposing views in unfettered debate have assured the

[Mr. Nielsen.]

right of the citizen to be heard. But in a short span of two and a half, almost three years the government has transformed Parliament into an ineffective flaccid forum where government decisions are announced with supreme arrogance and finality, all because of the shift of power at the expense of the taxpayer, by the offices of the Prime Minister and of his cabinet colleagues.

As the hon. member for Trinity pointed out, if one listened between the lines to his speech, when Parliament ceases to be the effective guardian of our freedoms and liberties then those freedoms and liberties die. Mr. Speaker, the process of erosion is well under way. If you have some doubt about it let us have a look at what I call an inventory of the socialistic policies brought in by the government within the last two and a half years. I will not say anything at the moment about the attempts by the government to emasculate the Auditor General, because while I am sure it did not see the errors of its ways, the public outcry was such as to place it with no other alternative but to desist. But one must ask oneself the question why?

Let me deal for a moment with the Department of the Secretary of State. The minister is one of what has often been called the Holy Three. His departmental estimates this year have been increased by $88 million. Here is a gentleman who does not work under the aegis of any department when he is performing the functions of being the guardian of our languages and our culture, and some $80 million of the increase in the estimates of his department are expendable by him in the role of being the guardian of our languages and of our culture.

Let us have a look at this agency the government calls Information Canada. Here is a minister who is not accountable to anyone else but the Prime Minister, and who takes his instructions and formulates his policies at the direction of the Prime Minister. He is responsible for an increasing amount of expenditure and an increasing number of civil servants. Information Canada was set up as an agency of the government, supposedly to inform Canadians about the activities of their government. How can we expect this so-called information agency to say anything critical about the activities of the government that set it up? How can we expect it to say anything critical about the economic situation in which we find ourselves today? If Information Canada had been performing the function it was supposed to, it would have been saying exactly what the hon. member for Trinity has just said.

Who was appointed head of Information Canada? Reading back through the debates to April 19 of last year, we find that the Prime Minister, at the time of tabling the report of the Royal Commission on Security, gave an undertaking to the House to have that report debated and to have a day set aside for that purpose. Despite repeated requests by opposition members, he has not yet set aside a day for debate on that report, which is now almost a year old. That report contains some very interesting recommendations. When one reads the reports of the questioning in this House with respect to the head of Information Canada, Mr. Gagnon, and when one reads the reports of the committee which examined the minis-

ter and Mr. Gagnon, surely there must be some questions asked. I have been asking those questions. I have been asking why the gentleman who heads one of the most sensitive agencies in the government, at a salary of $40,000 a year, should be a gentleman with a very interesting background closely associated with communist activities.

I hear dissent from the other side, expressed somewhat unusually, but if the hon. member who is listening has examined the information that I have examined, and will make available to him in my office if he cares to come up, he will find that this gentleman has appeared on the same platform as Fred Rose, who was very famous during the days of the Gouzenko inquiry, and was a famous contributor to *La Victoire,* the communist organ in Quebec.

And he will find that his wife was a representative to Hungary at a meeting of the International Journalists, which is a recognized international communist organization. I ask him to compare those and other facts, which I can disclose to him and to all hon. members, with the recommendations contained in the report of the Royal Commission on Security. He would find that under no circumstances would this man be given a clearance to hold any office in the Government of Canada. That is the position that should be adopted by the government today. Here is a man with this background who has been injected into the government service in one of the most sensitive areas into which he could possibly be injected.

• (5:10 p.m.)

When we on this side of the House ask the Prime Minister whether he has given this gentleman a security clearance, the Prime Minister dodges and weaves and never gives a direct answer. He would like members to believe it is the Royal Canadian Mounted Police which gives such a security clearance. This is not the case. The RCMP only prepares reports on which the decisions of the government are made, and in this case only one man had the responsibility for giving a security clearance to the head of Information Canada and that was the Prime Minister. He has yet to say he has given it.

The Acting Speaker (Mr. Richard): Order, please. I wish to advise the hon. member that his time has expired.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I should like to address myself to what I consider to be a shamefully misleading part of the motion presented to the House this afternoon. I refer to the misleading portion which states that regional disparities have been accentuated and that there has been a failure in regional development. I should like to make some comments in this area. I think that sits very badly in the resolution before us. When the Department of Regional Economic Expansion was created about two years ago, it was recognized in the department, in this Parliament and, I believe, by the people of Canada that it was undertaking a very difficult task indeed and that nowhere in Canada would the task be more difficult than in the Atlantic region.

Alleged Failure to Improve Economy

Disparities have existed in the Atlantic region for decades and in spite of previous programs such as fiscal transfers, tax incentives and various industrial grants under previous programs those disparities between the Atlantic region and the remainder of Canada have persisted. I think most of us are aware of the dimensions of these disparities. In the area of unemployment, the figure for the Maritimes is approximately three-quarters higher than the national average, 75 per cent higher or thereabouts, and per capita incomes persist at something like 30 per cent below the national average. These disparities have existed for perhaps a century. Just six months ago the Atlantic Provinces Economic Council published a 10 year review of the Atlantic economy. This appeared in a booklet called the Atlantic Economy. This review states that among the basic reasons for these persisting disparities is the seasonality of that economy—too much seasonal activity—and that this in turn is related to a far too great dependence on primary and resource activity and construction.

The review pointed to the need to facilitate basic structural changes in the Atlantic economy. Many members who have spoken today have totally ignored that point. They have spoken of more and more of the same in an orthodox approach while what is required is not more of the same but structural change which would bring a broadened base with more viable manufacturing industry and modern technology to that region so that it would have a more dynamic economic mix.

I should like to refer members of the House, who would care to read it, to this report of the Atlantic Provinces Economic Council. What has the department been doing with respect to that need to alter the basic structure of the Atlantic economy? I will come to that in a few moments, but first I wish to say a few words and quote a few statistics to prove that those who made these accusations concerning regional disparities did not do their homework. The fact is that the Atlantic region, if we choose it as an example, has been sheltered somewhat, through the operation of this department and its regional development programs from the impact of national unemployment and from the impact of national policies which are necessary for the good of the economy at this time.

Let us take the two months of January and February, since many members have quoted actual unemployment figures in their provinces in these months, and let us forget about seasonal adjustments. In those two months of 1971 the average unemployment in Canada has been 8.1 per cent. In the Atlantic region it has been 10.6 per cent. Everyone admits this is a serious disparity, but the mandate of this department is to try to reduce these disparities and, therefore, we should ask ourselves, instead of making irresponsible charges, whether these persisting disparities have been reduced through the program. Although this program is still only in its early stages, I think I can point to figures which suggest that these disparities have in fact been diminished. If we wish to make a comparison with a previous period of similar high national unemployment we might go back to January and February 1963, some seven years ago, when the

national figure in respect of average unemployment was 8.4 per cent while, in the Atlantic region in those two months, it ws 15.1 per cent compared to 10.6 per cent today. Thus, in the early months of 1963 unemployment in the Atlantic region exceeded the figure for Canada as a whole by some 80 per cent.

This compares with a disparity today of about 31 per cent. I have not used the worst years for the comparison from the point of view of Atlantic unemployment. To do this I would have to go back to 1957 when the national figure was 9.4 per cent and the Atlantic provinces figure was 16.7 per cent. So, in spite of the seriously high unemployment in Canada today, I think I can say the figures for the Atlantic region are about as good as they have ever been in respect of the question of disparities. They are high. No one accepts them as adequate. However, we have high hopes of reducing that disparity further. If one looks at the DBS figures one will see that the unemployment on the average in those two months—and we are using them as an example—this year has been held to the figure it has been for the previous two years. It has not flared out with the mounting unemployment in Canada. As I say, I do not want to exaggerate the achievement, but I believe some of the improved experience should be attributed to this department. Thus, in a resolution of the kind before us I think the opposition does no good to tell the people of Canada that this program is accentuating disparities and is failing in the task of bringing regional development to Canada's slow-growth regions.

• (5:20 p.m.)

Let me refer now to some of the ways in which this department is going about the task of trying to reduce disparities. One of the two principal methods—and I want to say that there are far more than two principal methods being employed—is the Regional Development Incentives Act. Under this act and program the department responds to applicants who have feasible projects in designated regions across Canada. What have been some of the results in the less than two years that the Regional Development Incentives Act has been in use? Something in the order of 450 offers have been made and accepted by companies in slow growth regions. The total capital investment associated with these offers is in the order of $580 million, and this significant investment is in regions which otherwise would not have had this investment without this program. The expected job creation is in the order of 21,000 persons directly employed in these assisted industries when in fact they come into full production. This is only the beginning of the program period. The incentive offers that have been made are in the order of $126 million.

Where has that effort been lodged? Roughly one quarter of the total activity has taken place in the Atlantic region. I think that is a significant fact. Approximately one quarter of the total new capital investment is in the Atlantic region, about 21 per cent of the new employment is expected to be there, and about 29 per cent of the incentives have been offered in that region and accepted. In the Atlantic region, where those persisting disparities have existed for so long, the weight of aid on a per capita basis is at least two times heavier—the extent of per capita aid is at least twice as great as it is in any other region in Canada. In several regions it is many times greater than that. So there is a specific, massive and directed effort to help reduce those disparities, and when we look at the unemployment statistics, I think they demonstrate that some success is already coming in response to this program.

When the program began, all of us recognized that it would take at least a decade to reverse trends that have been entrenched for a century. I come back to my point that to state in a resolution challenging the government's economic policies that disparities have been accentuated is at great variance with the facts. In the province of Quebec where unemployment is high and where disparities have persisted, approximately 40 per cent of the activity of the industrial incentives program has taken place. On a per capita basis this is well below the activity generated in the Atlantic region. In the three Prairie provinces, about 25 per cent of the activity under these incentive grants has taken place; 25 per cent of the offers, 24.8 per cent of the total capital investment, about 20 per cent of the new employment, and 21 per cent of the incentive grants. The remaining 10 per cent has gone to Ontario and British Columbia. I suggest that the program, although only in its beginning stages, is making solid progress.

The spokesman for the New Democratic Party said that this is unplanned, that grants go to big companies and to those who do not need them. That also is misleading. The grants go to companies that apply. Hundreds of those companies have been small companies, and the grant is given to them all not because they are big or small but rather to induce them to settle in the slow growth regions. This conforms to the mandate of the department, to induce and help them to overcome regional disadvantages. The grant is calculated as finely as we can, using the best judgment we can. This grant is no greater nor any less than would be necessary to overcome the disadvantage of settling in Halifax as compared with, say, Toronto or any other location.

I think the results here show that there has been a very excellent response. There is much more to come. In connection with size, let me point out the following: Is it a failure of regional development to have assisted at Vauxhall, Alberta a granulated potato plant, thus increasing jobs by 75, in the very province of the hon. member who moved the resolution? Is it a failure of regional development to have encouraged the Boeing Company of Canada to create 130 jobs in Winnipeg, or for a photo chemical products plant to establish in Steinbach, Manitoba, thus creating 100 jobs? Those are technically based industries that might not have gone there otherwise. Is it a failure of the program that in Granby, B.C., there is a small company manufacturing wigs with 12 jobs; or an electrolytic zinc plant in Ontario with 360 jobs, or a clay brick plant in Villeneuve, Quebec, with 65 jobs, a sheet glass plant in Becancour with 260 jobs, a clothing factory in Saskatchewan with 40 jobs, a fish

processing plant in Valleyfield with 26 jobs, lumbering in New Brunswick with 50 jobs? Many of these are small companies spread across the slow growth regions. In P.E.I. we have a herring reduction plant where 19 new jobs were created.

I do not want to go on in that vein because I want to go on to another aspect of the program where the whole concept centres on planning. This program, known as the Special Area program, is where the two governments, the provincial and the federal, look at the slow growth region, try to identify what would be called growth points within the region where, in addition to industrial incentives, there are also aids for growth point communities to expand their community facilities and to do all this within, say, a five year plan of development. That is what we are doing as another major thrust in this department. This refutes the suggestion of the spokesman for the NDP that this is an unplanned process. It is based on longer term planning in the special areas. In these special areas the federal government is able to do more than make industrial incentive grants; it is able also to fund basic community infrastructures. The total plan now is just under $300 million in those special growth areas with high promise of development of regional impact. This is a second massive program and it, too, is only in its initial stages. Of that amount of $300 million 61 per cent goes to the Atlantic provinces. This also will reduce disparities. The new jobs which I mentioned as being treated under the industrial grants program do not take account of the new jobs created in building community utilities, roads, schools and new housing in these special growth-point areas that are expected to have a regional impact in fostering self-generating future development.

The Acting Speaker (Mr. Richard): Order, please. I regret to interrupt the hon. member but his time has expired.

Mr. O'Connell: I have not touched upon ARDA or many other programs of economic expansion and social adjustment that I could have mentioned had there been time.

Mr. John Burton (Regina East): I feel that nothing could illustrate the timeliness of the motion before us today better than the intervention of the hon. member for Trinity (Mr. Hellyer) this afternoon. I feel that the hon. member should be congratulated for the courage of his stand and for the attempt he made to persuade his colleagues to mend their ways and to adopt a different set of economic policies for Canada. I think he demonstrated the same sort of courage which he had when he initially took the step of leaving the cabinet.

While I might have some reservations or further questions on some of the points that were suggested by the hon. member for Trinity, I think that his basic thesis was very clear. He suggested that the basic course of economic policy in Canada is wreaking untold hardship and suffering on many thousands of people in Canada, and that the government desperately needs to adopt a new set of policies. Certainly, when he talks about reducing interest rates, about price and wage guidelines, his suggestions fall within the scope of what we have suggested for some time, namely, a comprehensive income policy which relates to all forms of income.

• (5:30 p.m.)

From time to time we have also proposed measures to bring about tax cuts and to increase housing programs. I suggest that the hon. member made a very useful contribution this afternoon. It will be interesting to hear what his colleagues on the government benches have to say as a result of his intervention. The hon. member for Scarborough East (Mr. O'Connell) spoke in this debate and related his remarks to the department with which he is most concerned, but he carefully avoided any reference to the contribution made by the hon. member for Trinity. It will be interesting to hear what other government members have to say before this debate is concluded.

An hon. Member: Don't hold your breath.

Mr. Burton: The motion takes aim at a broad range of government economic policies. It refers to the failure of government policies with with respect to inflation. The fact is that inflationary trends are still with us, as was correctly noted by the hon. member for Trinity. The Prime Minister (Mr. Trudeau) has been trumpeting loudly that the inflation problem is solved. If that is so, I see very little purpose in retaining the services of Dr. John Young, chairman of the Prices and Incomes Commission. What is the purpose of having the Prices and Incomes Commission and Dr. Young's circus effort, if the problem of inflation has been solved? This is why some of my colleagues in this party have taken objection to the supplementary estimates which will be voted on later tonight, including the vote concerning the Prices and Incomes Commission. We feel that the sooner Dr. Young's services are dispensed with, the better for Canada.

We also should note that we can no longer depend on a market approach to the economy in order to solve economic problems. Some interesting remarks were made by Professor Rotstein of the University of Toronto regarding developments in the Canadian economy. He noted the influence of United States multinational corporations, the particular problems with respect to the application of United States law concerning trading with the enemy, in United States terms, and the question of that country's anti-trust laws. These have a definite impact on Canadian economic activity.

Professor Rotstein also noted that we no longer have a market situation in our economy. The growth of the multinational corporation means that many economic transactions are not of the arm's length type in which a true market price is set; rather, they are simply transfers of products or wealth within an existing corporate structure. No real transfer takes place in terms of an arm's length economic transaction. We are dealing with a completely new type of economic situation and will have to find new solutions and policies to come to terms with its problems and developments.

The motion refers to the unemployment problem, which is a very real one for the 675,000 and more people

out of work. Government policies which are responsible for and have contributed to the situation are morally wrong and have demonstrated callousness and insensitivity on the part of the government which have never before been witnessed. The government must take responsibility for this situation.

Reference was also made to the question of regional disparity. I do not quarrel with the assertion of the Parliamentary Secretary to the Minister of Regional Economic Expansion (Mr. O'Connell), that the motion submitted by the official opposition can be questioned on the grounds of their use of the phrase "have accentuated regional disparity", but to use that argument to say that the government's policy has been a success is totally wrong in my view. The parliamentary secretary correctly noted that solutions to the problems of regional disparity involve long-run policies and will not be found overnight. I agree with this assertion. The basic approach must be long-term. This reinforces the argument which was presented by members of my party when legislation of that department was before the House prior to the Christmas recess. At that time we suggested that the program of the Department of Regional Economic Expansion should not be used as a vehicle or tool for dealing with short-run economic problems. I maintain that we were correct in our assertion at that time, and I think this has been borne out by the statements of the parliamentary secretary this afternoon.

We must look at our regional development programs, because it is difficult to determine whether we are getting value for our money. The government has spent a great deal on these programs and has made many announcements regarding grants and jobs created—but in reality surely jobs will only be created if projects are proceeded with and concluded. How many jobs have been created as a result of programs for regional development? Before Christmas only a small number had been created as a result of the incentive programs of the department.

In referring to the comments of the deputy leader of the New Democratic Party, the hon. member for York South (Mr. Lewis), the parliamentary secretary suggested the hon. member said that essentially regional economic expansion programs were unplanned because big companies are receiving grants. I suggest he was confused, because essentially the hon. member for York South made two points: first, that the regional incentives program was unplanned because the government has not established a basic framework within which to provide grants; second, that the government sits back waiting for industry to come up with ideas, proposals and plans and then passes judgment on them. This is what we were referring to regarding the unplanned aspect of the program.

The minister cannot deny that a number of grants have been made to large companies such as Falconbridge Nickel and Procter and Gamble. These companies certainly do not need this money in order to carry on their projects. The government presented its regional development program as the keystone of its programs during the present term of office. Most of them involve a massive giveaway and have also involved their faulty use of short-run economic objectives. This is in sharp contrast with the loans fund announced by the Minister of Finance (Mr. Benson) last December which we felt was a step in the right direction and should have been preceeded with because it has some merit. The Minister of Finance made a contribution to dealing with short-run economic problems when he presented that proposal.

• (5:40 p.m.)

I suggest that the Minister of Regional Economic Expansion (Mr. Marchand) has abdicated leadership in his department. Basically, he has adopted the attitude "I'm all right, Jack" whenever problems are put to him. The deputy minister, who is an able enough person in his own right and a well known Liberal, is really the boss of the department. I suggest that the minister is not really in charge of the department. I fail to see how there can be any other explanation for the minister's inability adequately to describe certain matters and answer in a rational way questions which have been raised from time to time with respect to the department's programs. Increasingly, cogent criticisms of the department's program have been made by many people. I refer to the hon. member for Edmonton-Strathcona (Mr. Harries) who is quoted in the Edmonton *Journal* of February 19, 1971, as saying:

> The federal government should stop immediately its industrial incentive grant program except in very special areas—

Further, the article reports him as saying:

> The current incentive program is turning out to be the same as the last federal incentive program which, when completed, was 'roundly criticized.'

He pointed out that incentive grants represented a windfall profit to the shareholders of Imperial Oil, to cite one case, and that was the only substantial result of some of the grants which has been made. Other criticisms were levelled recently by the chairman of the Science Council of Canada. As recently as Saturday, March 20, the Ottawa *Citizen* carried this report on the matter. Dr. Solandt said:

> —the record of regional industrial development in Canada was one of disaster after disaster.

He went on to say:

> We shouldn't kid ourselves that these regional industrial developments are being done for any other reason than to create jobs; they're not economically sound . . . they're welfare projects for industry—

Certainly we want jobs to be created. The chairman of the Science Council has pointed out some of the problems connected with the government's programs. When I asked the Minister of Regional Economic Expansion yesterday afternoon whether he had taken into account these submissions and whether studies or consultations were going on, all I could obtain from the minister was a smart aleck answer which completely avoided the subject.

I also refer to the comments of the governor of the Bank of Canada who in his annual report again emphasized that regional development programs cannot and should not be used to deal with short-run economic prob-

lems. But what has been the minister's response? When I first raised the question yesterday he said that I might be opposing a pulp mill in Regina. I suggest that the minister must know very well that Regina is on the wide, open plains and is certainly not in the woods, as the minister is.

Mr. Melvin McQuaid (Cardigan): Mr. Speaker, I shall be rather parochial and local in my remarks this afternoon. I make no excuse for this because I feel that the province which I have the honour to represent in this House is in a very serious situation financially. I only regret that the Minister of Regional Economic Expansion (Mr. Marchand) is not in his seat to hear the particulars of the serious situation in which we find ourselves. The wording of the motion partly influenced me to speak in this debate. The motion in part reads:

> That this House condemns the government's economic policies which have . . . accentuated regional disparity and have failed to promote regional development.

If there is one province in Canada to which those words apply particularly, that province is Prince Edward Island. A couple of weeks ago our provincial treasurer brought down his budget for the 1971-72 fiscal year. He budgeted for an over-all deficit of $2,868,825. I know that in many provinces of Canada that would not sound like a lot of money, but in a province the size of mine, which suffers from grave economic disabilities, it is a large amount of money. Our direct debt at present is $108,306,000, which represents a debt of $1,000 for every man, woman and child living in my province. Just to give Your Honour an idea of how seriously the financial situation has deteriorated, may I point out that in 1961—just nine years ago—our debt was $32,200,000, or approximately $300 per capita. During the intervening nine-year period our direct debt has increased by $76 million.

In addition to having to shoulder that direct debt, the government of my province finds itself in the unfortunate position of having to shoulder indirect liabilities in the amount of $15,439,000. So our direct debt plus our indirect debt amounts to $124 million. The interest alone on this debt is $10 million per year. Our population is approximately 110,000 and our income per capita is one of the lowest of any province of Canada. The average per capita income in my province last year was $1,818.

An hon. Member: This government doesn't care.

Mr. McQuaid: Our per capita income, as I say, was $1,818, compared with the Canadian average of $2,913.

Mr. Knowles (Norfolk-Haldimand): Shame.

Mr. McQuaid: We had, as of February, 1971, 8,959 people receiving social assistance. In my province there are 8,959 people who must try to live on the small amount the government is able to provide for them. I presume that the government is doing the best it can with the money it has. Those people are trying to exist on the small amount that the government sees fit to provide. Yet this province in which almost 9,000 people are drawing social assistance must pay an interest charge of $10 million on its debt before it can undertake any other programs.

Mr. Knowles (Norfolk-Haldimand): Shame.

Mr. McQuaid: I say that this situation just cannot continue. I say this, too: the people of Prince Edward Island do not want to be on welfare. We want to support ourselves, but we cannot support ourselves unless the federal government does something to help us improve our economy. We would have had a chance—I say this without fear of contradiction—because if the Conservative government had remained in power, Prince Edward Island today would be connected to the mainland by a causeway.

Some hon. Members: Hear, hear!

Mr. McQuaid: The Liberal government scuttled that plan. That was our only hope of salvation.

Some hon. Members: Hear, hear!

Mr. McQuaid: If the Conservative government had remained in power, we would have the causeway today, we would be self-supporting and no member representing a constituency in my province would have to stand up in the House and ask for the assistance of the federal government. We would not want that assistance if we could get along without it. We want the government to help us improve our economy.

Two or three years ago—I am, again, sorry that the minister is not present to hear me—the government introduced its famous economic development plan. I call it an infamous economic development plan because so far it has done absolutely nothing to improve the economy of my province. All that has been done under the plan so far is to bring highly paid officials from other parts of Canada to try and tell us how to run our province. It is estimated that over the next 15 years it will cost $728 million. There must be no mistake about this—the $728 million will not be provided by the federal government. The contribution by the federal government will be only $225 million; the province will be expected to put up the remaining $503 million. The plan was supposed to do wonderful things. I quote from the preliminary agreement between the government of Canada and the government of Prince Edward Island:

• (5:50 p.m.)

> Whereas the territory of the province, hereinafter referred to as "the area" has experienced widespread low income—

Nothing could be more true than that.

> And whereas Canada and the provinces have jointly agreed that it is desirable that the area have a comprehensive and co-ordinated development plan designed to promote its economic development, to increase income and employment opportunities and to raise standards of living—

These are worth-while objectives. What has the government done so far to carry out these objectives? It has done nothing expect to bring in highly paid officials from other parts of Canada and put them on the payroll. They

are accomplishing very, very little. I quote from the joint statement issued by the Premier and the minister when the plan was announced:

> The development plan for Prince Edward Island will concentrate on the realization of the full potential of the province's basic industries in linking the provincial economy closer to the national economy.

How close have they come to accomplishing that objective? Prince Edward Island is primarily a farming area; farming is the basis of our economy. At the present time—there are 400,000 acres of crops in Prince Edward Island, 152,000 acres in improved pastures. There are 9,585 occupied farms and 53,000 acres of cultivated land with potato crops. The farmers of Prince Edward Island are receiving 65 cents a bag for their potatoes, if they can sell them. However, they just are not able to sell them. The government has brought experts from as far west as Alberta to show us how to grow potatoes. We do not need these experts. We need experts who will show us where we can sell our potatoes. If the government did this, it would be doing something worth while.

There are 53,000 acres of idle land which could be devoted to potato crops. This represents 17 per cent of the Canadian total. Both governments, federal and provincial, are doing absolutely nothing to provide markets for our farmers. The record shows the serious financial position that the farmers of Prince Edward Island are in today. The latest figures released by the Farm Credit Corporation show that 251 farmers in Prince Edward Island are in arrears with regard to principal and interest, totalling $174,500. All the farmers do not have loans with the Farm Credit Corporation. Our farmers do not want to owe money to the Farm Credit Corporation. They would like to be out of debt, but they will not be able to do so if potatoes remain at 65 cents a bag. Even at that, they cannot sell them. The packaging and processing plants are being closed. Just the other day, Seabrook, a very famous company, went into backruptcy. Why? Because they just could not finance their operation. They could not sell their product. As a result, the farmers are not receiving the price they should.

The farm population of Prince Edward Island has dropped by almost 50 per cent in the last 30 years. I wish to illustrate how serious this situation is for the benefit of the Minister of Agriculture (Mr. Olson). In February, 1971, 3,107 carloads of potatoes for domestic consumption were shipped from Prince Edward Island. This is more than 1,000 carloads less than were shipped at the same time last year. What is the reason for this? No attempt is being made by the minister or the government to find markets for Prince Edward Island potatoes, although they realize this is our basic industry. The minister realizes that the greatest majority of our farmers depend on this product for a living.

I say without fear of successful contradiction that the minister and the government are doing very little to improve the economy of the farmers of Prince Edward Island. The farmers do not want welfare or financial assistance. All they want is an opportunity to earn a living. They do not want to be dependent on the Farm Credit Corporation, the federal government and the banks. They want to be absolutely independent. They should be given an opportunity to earn an income. If markets can be found for the products of these farmers, they will show that our province does not depend on any government. We are self-sufficient and happy to depend on ourselves.

The Acting Speaker (Mr. Richard): Order, please. It being six o'clock, I do now leave the chair until eight o'clock this evening. At noon I strolled outside. The sky was blue, the sun was warm and the air was crisp and clear. For all these things let us be thankful, O Lord.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the deputy leader of the New Democratic Party today made a very interesting speech, one which I think has something new in it. I am afraid that is more than I can say for the offering his leader made in a similar debate on Friday afternoon when it seemed to me that he, like the rest of us, was somewhat tired of shuffling the paragraphs of his old speeches. However, just about a year ago in the House, on February 12, 1970, as appears in *Hansard* at page 3520 the deputy leader of the NDP had this to say:

> The only way to deal with the situation in an economy such as ours is to impose a comprehensive prices and incomes policy, with teeth, if necessary, selective price controls and selective controls on all the other sources of income in this country—profits, interest, dividends, wages, salaries and the rest.

In his speech today, while showing no less vigour and enthusiasm in favour of price controls the same hon. member displayed a somewhat circumspect attitude toward wage controls. One might almost be constrained to believe that the nearness of the leadership race in his party, the dependency of the successful candidate on the support of organized labour and the attitude of organized labour generally toward wage control, might have had some influence on his thinking. But being a more noble and generous individual—

An hon. Member: And modest!

Mr. Mahoney: —I might be persuaded to believe that the change in his attitude has come about as the result of an honest appraisal of the improvement in the country's economy because of the government's policies.

We have heard various suggestions from both sides of the House. We have heard it suggested that there is, or should be, a right to work in Canada. We have heard talk of full employment. It is hard to say this without sounding callous, but such phrases are really nothing but rhetoric. What is this full employment? What is the figure which hon. members who propose full employment have in mind? Obviously, it is not 100 per cent. There are facts: there is a climate in Canada which affects oppor-

tunities to work. Fortunately, with improvement in technology these opportunities have now been increased; nevertheless, the climate is a very real factor in Canada.

• (8:10 p.m.)

What is this figure of full employment that we are to strive for at the cost of all other considerations? We gather from the deputy leader of the New Democratic Party that his view is that the regional economic expansion programs are ineffective and that the government should aim for full employment at any price of inflation; that the moneys presently being spent in the less advantaged regions of Canada should be used to supplement welfare payments for the people in those regions where the benefits of an all-out inflationary policy of full employment would not directly flow; that we put these people on welfare and forget them. I find that very hard to accept.

It has also been suggested that immediate tax cuts be made. The Minister of Finance (Mr. Benson) has indicated that this year the government will be in the market to borrow $2.2 billion. How much more would hon. members opposite have the government borrow? How much more inflationary pressure would they have the government put on the economy? Let us have some real, solid suggestions. If hon. members subscribe to a 6 per cent reduction in income taxes, as some hon. members opposite have suggested, this will add another 50 per cent to government borrowings and will run the government close to $3.5 billion for the year, which should have a fairly significant impact on the money market in Canada and on the ability of corporations to obtain financing. It certainly should have a fairly significant impact on interest rates.

The government stands by the economic measures it has taken in its December budget which have been aimed at alleviating in a selective manner the economic problems of Canada in areas where those problems are most serious. I am not going to catalogue all the things this government has done since its initial decision last March to implement expansionary measures in our economy, but they have been significant. Among these measures are the Lift program for the Prairie farmers, additional loans through CMHC for low-cost housing, extra-mortgage funds for the Farm Credit Corporation, extra loans for the Department of Regional Economic Expansion, the accelerated transfer of tax revenue to the provincial governments, the summer employment program for students both last year and this year, extra money to finance housing units in August last year to the tune of another quarter of a billion dollars—money directed into the housing market about which some people have expressed concern today—new capital and operations program, plus increased manpower training allocations last October. Then in the December budget the government introduced many selective measures aimed at alleviating economic problems in areas where those problems were greatest.

Hon. members have suggested today that the government should immediately seek a further significant reduction in interest rates. Interest rates today are the lowest they have been for a long time. For example, today's rate for 91-day treasury bills is 3.02 per cent, and for 182-day treasury bills, 3.08 per cent. Long-term borrowing today is at an average of 6.7 per cent, which is down from 8 per cent last fall. These are very significant reductions and are indeed the lowest rates Canada has experienced for a long time.

It has also been suggested there should be a massive injection of funds into housing, both new housing and for rehabilitation. Speaking in this Chamber on February 10, the Minister Without Portfolio responsible for Central Mortgage and Housing Corporation (Mr. Andras) indicated a number of facts concerning the government's housing program for this year. It is evident that some members need to be reminded of those facts. The government has, of course, been pursuing a policy that has set a target of at least one million new homes for the five-year period 1970-74 inclusive. This year's total budget to be spent through Central Mortgage and Housing Corporation is $942 million, compared with the 1970 budget of $854 million. We are anticipating approximately 220,000 housing starts this year. By comparison, in 1970 there were 190,000 unit starts, which was the third best year in Canada's history—and this despite the economic conditions that prevailed.

In direct terms of employment, it is anticipated that this year's housing program will mean a minimum increase of 60,000 man-years of employment geared directly to housing construction. Of course, there are also many indirect benefits as well as many jobs created indirectly. With respect specifically to the question of rehabilitation, the Minister without Portfolio indicated in his speech that section 40 loans through CMHC would amount to $172 million. That money, of course, is available not only for rehabilitation but for the purchase of old housing stock.

It has been suggested that immediate mandatory price and wage guidelines be implemented. Two suggestions were made in this regard. The first was that a limit on profits be instituted related to long-term experience. It is a well known fact that business profits at the present time are well down over the long-range average. This is a regrettable situation for the Canadian business community, but it is true. The suggestion that a limitation on profits related to long-term experience be implemented by way of curbing profits is, of course, manifestly an absurdity. Any such limitation imposed today would mean a guideline for profits considerably above those that are currently being earned. This is no control in the sense that was proposed.

It has also been suggested that wage increases should be limited to increases in productivity. This, of course, is an axiomatic suggestion when put in over-all economic terms, because any aggregate of wage increases that exceeds the total increase in productivity in a given economy is obviously inflationary. That is what inflation is all about. However, to suggest that such policy could be made to work on a selective basis is totally to ignore the fact that in the service industries increases in productivity are terribly hard to ascertain, and in any case

are not at all commensurate with the increase in activity or in the increase in value to the economy.

Such a policy would result in a continuation of what has happened today in regard to wage increases in the manufacturing industries. Labour has been able to demonstrate that productivity in the manufacturing industries has increased substantially, due largely to technology, and they should be rewarded to a greater degree than people engaged in other sectors of the economy. Such a policy would perpetuate the distortion that exists between workers engaged in the manufacturing industries and those engaged in other activities.

In speaking in a very similar debate last Friday I enumerated the positive factors in the Canadian economy as well as the negative factors we are confronting today. I still feel that while the legitimate function of hon. members opposite is to talk about the economy and to denigrate the efforts of the government in managing the economy, the fact is that the "doers" in the economy—the government and the business community—in the decisions they take every day are expressing their confidence both in the long and short-range prospects of the economy. It will not be long before hon. members opposite will have to find some other topic to discuss on opposition days.

• (8:20 p.m.)

Mr. A. D. Hales (Wellington): Mr. Speaker, we have just heard some great, flowing words from the hon. member for Calgary South (Mr. Mahoney). He said that the government has to go out and borrow in the neighbourhood of $2.2 billion this year. He then listed the reasons why it had to do this. I suggest that if the Liberal government had been more concerned over the past few years about the viability of our economy, rather than going all-out to introduce social measures which the country could not afford, we would be in better financial condition today. The hon. member said that the government had to find $100 million for the Lift program, millions of dollars for the summer employment program for students and for the manpower retraining program. None of that money would have been needed had the government tended to its business and created a sound economic situation. Now it finds itself in the position where it has to borrow money.

This afternoon we heard the hon. member for Trinity (Mr. Hellyer) recommend to his government the removal of the 11 per cent sales tax on building materials and the 3 per cent personal and corporate surtax. He said that money should be put into circulation so that Canadian citizens could control and spend it. Believe me, Mr. Speaker, I think it would be better to have that money in the hands of Canadian citizens than in the hands of this government. If I had sufficient time I could list many ways in which this government has not spent money wisely. I need only mention a few to make my point. I need go no further than mention the purchase and refit of the *Bonaventure*, costing some $31 million, and then the ship was sold for scrap for less than $1 million. It was sold for less money than the government spent to paint it. That is one reason why the government has to borrow money.

In 1965 the Post Office Department issued a Christmas postage stamp with the year "1965" printed on it. It overestimated the quantity needed and as a result $16,000 worth of Christmas stamps were left over and had to be scrapped. People just don't want to buy 1965 Christmas stamps for 1966 Christmas cards. That was $16,000 down the drain. In 1970, even after being reprimanded by the Public Accounts Committee, the Post Office last year issued a Christmas stamp with "1970" printed on it. I understand a lot of those stamps are left over. I do not know how many, but today I received a letter bearing a Christmas stamp and the sender wrote "Happy Easter" on it and drew an arrow pointing to the Christmas stamp. Possibly there will be another $5,000, $10,000 or $15,000 down the drain there. It is no wonder the government has to borrow money when things like this happen.

If the Canadian taxpayer does not spend money wisely, he ends up having to borrow money. But that can go on only for a little while until the source is shut off. The government thinks it can go on like this forever. To scrutinize government expenditures we have the Auditor General, whose staff has been frozen at a limit of 246 persons. His staff should be increased. Here is an interesting comparison: in Canada, which has a population of 22 million, the Auditor General has a staff of 246 persons; in Australia, which has a population of 11 million, the auditor general has a staff of 520 persons.

The hon. member for Trinity made a great plea for the poor voter, the person most affected by inflation. He had great sympathy for the less fortunate. It used to be Liberal Party philosophy to think about these people. However, that hon. member seems to be the only one in the Liberal Party who thinks that way today. It makes one wonder just what is taking place. That hon. member resigned from the cabinet and remained silent for a long time. Today he made a very stirring speech. I do not know whether he is preaching for a call, or what is in the background, but it is quite evident there is something developing.

The hon. member for Calgary South said it was all right for us to condemn the government, but asked what we would do. I remind him that when the Conservatives came into office in 1957-58 we were confronted with millions of bushels of unsold wheat and with unemployment that was running at almost ten per cent of the labour force. The first thing we did was to go out and sell the wheat. Then we pumped millions of dollars into house construction, creating many jobs in that industry and in allied industries. We also introduced the winter works program to provide employment. The present government has cut out the winter works program. That program was very successful in keeping people employed during the winter when normally unemployment is at its peak.

We instituted an enlarged technical vocational school program, up to the point where at one stage we were opening one school a day for a year or more. That was a very successful program in helping educate our young people in various trades. We certainly did not impose an

11 per cent sales tax on building materials. That is an iniquitous tax. It is adding to the cost of much needed housing; it is depressing the construction industry. Canadians have to pay 11 per cent more for such goods than their neighbours to the south.

There is not a businessman, small or large, who is not sitting pat, afraid to move into any venture aimed at increasing or stimulating his business, because today he does not know what the proposals in the white paper on taxation will do to him if they are implemented. That white paper has been hanging over Canadian business like a very heavy, low-lying cumulus cloud. On top of that, the government increased taxes. It introduced the 3 per cent surtax. That tax was supposed to remain in force only for a year. It has been put into force for three years. Four-wheeled brakes have been applied to the economy of the country. If the government had realized the impact that the white paper on taxation would have on the economy it would not have bothered to apply the other brakes because the white paper alone was sufficient to slow down the economy and to curtail inflation.

• (8:30 p.m.)

The Prices and Incomes Commission was set up by this government to do what it could about curtailing inflation. The commission has been guilty of overkill on the job. In respect of consumer prices we find that the percentage increase in Canada was 1.7, in Japan it was 8.6 and in Germany it was 4.1. Both Japan and Germany have full employment. Both these countries import labour. They call the people they bring in "guest workers". They find this necessary because there are not sufficient workers in these countries. So I would say that we have been guilty of overkill in our attempt to hold down inflation. In so doing we have created a great deal of unemployment. Dr. Young, who appeared before the committee just this week when the estimates were before it, said:

> —they are unable to keep productive activity and employment going strong without encountering price inflation that gets out of hand.

It would appear we would have been better off had we let inflation go up a little more, like they did in Japan and Germany—

Some hon. Members: No, no.

Mr. Hales: —but have greater employment. That is what we need. When people are employed they receive wages which are taxable and those taxes go into government coffers. In any event, the Prices and Incomes Commission has been told to disband at the end of December this year. When the members of this commission appeared before the committee with their estimates in the amount of $1,976,000—practically $2 million—with which to carry on from now till the end of January, I didn't think these were a realistic set of estimates and a motion was moved in committee by a Newfoundland member, the hon. member for Gander-Twillingate (Mr. Lundrigan), to the effect that the vote be reduced to $1. The vote was a tie and it was necessary for the chairman, a Liberal member, to cast the deciding vote. He voted that the estimates pass, to cover the period until the end of the year, at which time the commission will pack it up and call it quits.

Now I should like to say a few words about agriculture and the situation in Ontario. We hear a great deal about agriculture in the other parts of this great dominion. In the province of Ontario—and much of this is applicable to all of Canada—hogs today, for instance, are $2 per cwt. lower than they were 10 years ago; yet the farmer has had to buy machinery, fertilizer and all the other equipment he requires in order to farm, at much higher prices than ever before. What has this government done about the price of farm machinery? It spent $1,053,000 on the Barber commission on farm machinery, but never followed up the report of that committee. It has been pigeonholed. Incidentally, the cost of that commission is practically the same as the cost of the pilotage commission and the commission on the status of women. These are three examples of commissions the cost of which has been in the million dollar plus bracket, and at least in respect of the commission on farm machinery no action has been taken.

I could go down the list in respect of farm products. We find that eggs are selling at three dozen for $1. Lamb is 10 cents a pound lower this year than last year. Tobacco, a very important industry in Ontario, is at is its lowest price in 10 years. Turkeys are about as cheap as they have ever been. Broiler chickens are away down. The farming situation today is a very sorry one and requires more attention than it is being given by this government. When we talk about farm machinery, we find that in the Brantford riding the Massey-Ferguson plant is laying off thousands of people. With the free trade in respect of agricultural implements between Canada and the United States, it would appear that this industry may move to the United States. There is a great danger that this may happen.

The Acting Speaker (Mr. Richard): Order, please. I regret that I must interrupt the hon. member to advise him that his time has expired.

An hon. Member: Continue.

The Acting Speaker (Mr. Richard): The hon. member may continue if there is unanimous consent. Is there such unanimous consent?

Some hon. Members: Agreed.

Mr. Hales: Mr. Speaker, I do not wish to take advantage of the rules by exceeding the 15 minutes allotted to each member and therefore I shall try to wind up my remarks very quickly. With these tremendous lay-offs in Brantford, or in any other city in Ontario, the welfare costs become so high that the municipalities are unable to absorb them. They do not receive any additional or direct help from Ottawa. Representatives from Toronto were in Ottawa recently asking for help in respect of these very heavy welfare costs. They were sent home empty-handed. This is a very serious problem.

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I do not wish to dwell at length on the regional development situation, but would simply say that in Ontario we send approximately $1 billion to the provinces east of us and yet because we are not a designated area we are caught in two ways. We put up the money but do not receive any assistance under the regional development plan for new industries, with the exception of areas such as north and west of North Bay, a little area around Cornwall and the Renfrew area where there is a very alarming situation.

The federal government has invested $1.1 billion for projects in depressed areas over the past two years, but has succeeded in creating less than 37,000 new jobs. Quebec alone requires 100,000 new jobs. On this basis, the cost to provide each job is about $30,000. We talk about Canadian capital versus United States capital, but the need for capital is both great and growing. I do not know how it can be argued that a Canadian worker in a job provided by an outside investor would somehow be better off if he remained unemployed until such time as domestic capital filled the investment gap. So far as I am concerned, the creation of jobs for Canadians should have the greatest priority. Let us try to do it with Canadian money, but if we find we do not have sufficient Canadian money we must do it with money from other countries which see fit to invest in Canada. If we had that investment we would not need to spend as much money under the regional development plan which up to now has not shown signs of being successful.

• (8:40 p.m.)

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, a motion put forward by the Conservative Progressive party is now before the House, reading as follows:

That this House condemns the government's economic policies which have failed to curb inflation, have brought severe unemployment to at least 675,000 Canadians, have accentuated regional disparity and have failed to promote regional development.

Mr. Speaker, I for one fully endorse this motion of censure, for specific reasons which I would like to review quickly in order not to take up too much of the House's time.

Mr. Speaker, for 1971-72, the Canadian government's budget totals more than $14 billion 352 million; that is the amount of its tax revenues. That is the budget the government now has to manage. How will this budget be used? Of course, priorities must be established.

On the threshold of the seventies, the federal authorities are facing new challenges. First of all, according to a consensus, it is hoped, with reason, that a better quality of life can be given to every Canadian.

Also, it is hoped that security of family income will be assured, especially for those on a fixed income, in other words those who are directly dependent on the country's economic situation.

Finally, and here again there appears to be a consensus, it is hoped that every Canadian may have the opportunity to participate in the Canadian economy, including those whose resources are limited, because they are mentally, physically or financially handicapped. Some Canadians, too many unfortunately, cannot participate in the economic activity of the country because of the following handicap. There will be 300,000 more young Canadians in their twenties in 1972.

That is thus to say that in 1972, 300,000 more young Canadians will be seeking employment in Canada. One can therefore see the problem which will confront us. If a monetary and fiscal policy consistent with modern times is not adopted, not only will it be impossible to find employment for those presently unemployed, either young or old, but it will be impossible to create jobs at a rate which will coincide with that of the increase in unemployment, thus resulting in the handicap which will face many Canadians, who will find themselves unable to contribute to the economic life of the country.

In view of that situation, the Liberal government resorted in its preceding budgets to two kinds of policy: First, the fight against inflation, because in its opinion, that was the crucial problem in Canada. It was necessary, he said, to prevent inflation from running away. So the government based its various measures on that priority forgetting all those others which I mentioned at the beginning of my remarks. Those measures, such as the restriction of credit and the increase in interest rates, have reduced the economic development in Canada so that Canadians are less in a position to play a role in our economy. We are suddenly experiencing an unemployment crisis which the government finds hard to bear because it is responsible for it. Unemployment has not appeared all at once, quite the contrary, it was anticipated.

The fiscal and monetary policies of the government have led to the state of affairs for which it is blamed today. This could have been foreseen since the government had given the priority to credit restrictions, higher interest rates, maintenance of the 11 per cent sales tax on building materials. The inevitable result is economic stagnation which leads to less individual participation or progress; we now wake up—and this is truer than ever—in an inordinately rich country, where destitution prevails.

Mr. Speaker, the government of Canada can influence the economic activity of the country through fiscal and monetary policies. Even the Prime Minister (Mr. Trudeau) said that his main weapon against inflation was credit restrictions.

We, of the Ralliement créditiste, claim that such a policy of credit restrictions does not check inflation but increases the economic unbalance.

Mr. Speaker, in view of those facts, the government must find more money. That is its problem today. If an hon. member or one of the people in the galleries went to the minister and asked him to approve any economic development project, he would be told: "Too bad, my friend, the government has no money." The answer is always the same. We have no money.

According to the government, taxes are in practice the only sources of financing. This year, more than $14

billion will be collected from taxpayers. That is a lot of money! The purchasing power of each taxpayer will be reduced by that much; so each Canadian will be deprived of that much that could be used to dispose of our production in Canada.

Another way for the government to apply its monetary or tax policy so as to finance itself is by borrowing, not on the Canadian market or from the Bank of Canada, but from other countries.

Mr. Speaker, in the booklet entitled *How your tax dollar is spent* put out recently by the Treasury Board it is stated, and I quote:

Canada's public debt amounted to $38 billion in October, 1970,—

Here is what is said about the hon. Minister of Finance (Mr. Benson) on page 23, and I quote:

—and the Minister of Finance has forecast new government borrowings of $1.9 billion in 1971-72—

Let us not forget either what is written further on, same page:

Paying the interest and other charges on this debt is going to cost $1,995 million in 1971-72, or 14 cents of your dollar.

In other words, Mr. Speaker, the government claims that its only sources of financing are taxes, which reduce the buying power of Canadians, the system of everlasting debt by resorting to foreign capital. It means that, in both cases, the indebtedness of Canadians is increased and that, consequently, taxpayers lose the buying power which would allow them to purchase consumer goods.

We of the Ralliement créditiste, say to the government that the first thing it must do to finance itself is to resort to the Bank of Canada and order it to put the necessary money in circulation, by issuing new lines of credit according to the balance between aggregate production and aggregate consumption in Canada. Let this balance be transformed into credit to the consumer under the form of national dividends and compensated discounts which would allow the taxpayer to buy the accumulated production.

Mr. Speaker, the other serious mistake of this government—and this is why I support the censure motion under study—is that in its economic policies it is seeking to increase production but fails to introduce bills likely to improve the lot of consumers.

• (8:50 p.m.)

Mr. Speaker, any and every Canadian is at the same time a producer—mass-manufactured machine producer, service producer, entertainment producer—and a consumer. But he is a producer owing to equipment or to his own labour, whether he holds a degree or not. He is a producer and must be paid accordingly. We agree on that.

But this same citizen is also a consumer. In order to ensure continued economic growth and a progressive economic policy, the government must therefore take into account these two features of the Canadian citizen.

To put it another way, Mr. Speaker, the government must—and this is extremely urgent—propose fiscal and

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monetary measures to increase the purchasing power of the Canadian taxpayers.

A tax policy to increase purchasing power, such as a reduction of certain taxes, the withdrawal of the 11 per cent sales tax on building materials, would result in an immediate increase in the rate of development of the construction sector in Canada. This would be a practical policy to speed up economic development. But the government keeps saying, tighten your belts.

Mr. Speaker, some day this government, which has sold out to the high finance community, will have to say to chartered banks and financiers what it tells Canadians, and particularly unskilled labourers.

The right hon. Prime Minister (M. Trudeau) said recently, as reported by the newspaper *Montréal-Matin* in February:

Trudeau blames the labour sector for refusing to tighten its belt.

Not only must workers tighten their belts but they also lack the essentials of life. Meanwhile, the government allows the chartered banks to increase their profits by over 28 per cent in a single year.

Mr. Speaker, this is truly illogical and shows that the government cares only to serve high finance, since its members are slaves to it, instead of trying to serve the people of Canada. If, the government was really willing to serve the interests of the people of Canada, it would right now adopt a fiscal policy aimed at reducing taxes, a monetary policy likely to increase the purchasing power of each Canadian citizen, and thus create a balance between the production forces and the consumption forces.

Mr. Speaker, the government said that inflation had to be fought. Its irresponsibility shows through the fact that on December 24, the Prime Minister said, all of a sudden, after two years of running to catch up with inflation: We are through with inflation; at last, we have licked it.

Mr. Speaker, I am now quoting an article from the Ottawa *Citizen:*

We have licked inflation—Prime Minister Trudeau.

Mr. Speaker, according to the Prime Minister, this was the result of his policy. Now, yesterday, the hon. member for Montréal-Bourassa (Mr. Trudel) said before the Montreal Chamber of Commerce, as reported in the newspaper *La Presse* of March 24:

Inflation will soon be overcome.

Mr. Speaker, one would like to know which of the two is telling the truth. Has inflation stopped galloping, or is it still running? We must know in order to be able to check it. The government should make up its mind.

Mr. Speaker, this is not all. The Chairman of the Prices and Incomes Commission, Mr. John Young, had this to say: It is not my fault if unemployment has increased, I am not the one responsible for it. Nobody ever said he was, but it was said that absolutely nothing had changed in the economic system.

As we say, white papers and studies will not help solve that problem. Indeed, we saw the result of the B and B

Commission. Fifteen million dollars were spent and 556 persons were employed full time. Yet, that inquiry was given recently a first class funeral. Absolutely nothing has changed, in spite of the study that was made. It did not give one more cent to the taxpayers, but it has changed the policy.

Mr. Speaker, such a state of things is ridiculous and revolting. As a young man, I want to tell the government about my concern as to that multitude of young people who are told to get on education and then find themselves with all kinds of diplomas but unable to participate in the economic activity of this country.

Mr. Speaker, while they were studying they were told that they could, at the end of their studies, live in a happy and safe society. These young people are prepared to fight and to work for their country. They are quite ready to do their share. The only thing they are offered is a social security card, an unemployment insurance card. They are told: "Wait for your turn at the Canada Manpower centres."

The parents of those young people are told: "Wait for your turn at the Canada Manpower centre, you will be given retraining courses." Mr. Speaker, I am convinced that everybody sees, as I do, how we are mired in this illogical system, and how silly it all is.

It is high time that we put some order into this system. We do not say that those people are poor administrators but we say it is time for the government to adopt the same policy of credit or power restriction with regard to high finance and chartered banks.

We say that the government should order the Bank of Canada to be at the service of all Canadians. The Bank of Canada belongs to all Canadians. Why should it not become the prime tool of the Canadian government to finance the public sector, namely the provinces and the municipalities, instead of borrowing from a foreign country to finance our own country?

[*English*]

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, this evening we have heard some interesting speeches from the other side of the House. We heard the hon. member for Wellington (Mr. Hales) reiterate the "stand pat" argument that by being too tough in our efforts to conquer inflation we deliberately created unemployment.

Mr. McGrath: You sure did.

Mr. Gibson: It occurs to me on the basis of what I have seen, heard and read in this House that if we had not taken such steps to tackle inflation we would have run our whole price and wage structure up like a balloon and created massive unemployment from coast to coast. This is not rebutted by anyone on the other side, yet they tritely condemn us for tackling the problem. Not one of the speakers opposite explained how we were going to keep people employed by allowing prices to skyrocket to the moon and thus price ourselves out of the market.

Mr. Hales: How about Japan and Germany?

[Mr. Fortin.]

Mr. Gibson: Those countries have not the same environment of employment as we have. They have not the same structure. They have a different set-up, and Japan at least is smaller geographically. They have more modern techniques in different senses than we have. I submit that Japan would be happy to own our untouched resources. But we are going to grapple with these problems and create an economic climate which will be greater than any we have had in the past.

I do not say this with empty sophistry or undue optimism. If we had not planned our economy on a sound basis and kept prices under reasonable control, we would not have the enormous trade balance that we have today. The figures indicate that our economy is on a sound basis. The price of the dollar has gone up and our bank accounts are high.

• (9:00 p.m.)

The fact that bank interest rates are dropping is an optimistic sign that we are well on our way to pulling out of the winter of this bleak period in our economic history.

Admittedly, unemployment figures are high, but we are grappling with them. The Minister of Labour (Mr. Mackasey) will be bringing forward the most modern and up to date amendments to the Unemployment Insurance Act that have ever been presented to any Parliament anywhere. The opposition has not criticized that. I hope it will support the bill when it comes forward. With the help of all parties, I trust that we will speed that legislation through. It will help our economy to progress. Men, instead of waiting in bread lines will be looking for new training opportunities as a result of the bill. Men who have been affected by automation, one of the difficulties of the modern day, will be given, as a result of the legislation, job retraining opportunities. Under our training schemes men will be able to take pride in learning another occupation instead of sitting at home idle and out of work.

Some hon. Members: Hear, hear!

Mr. Gibson: In a sense, these men will be working because they will be retraining themselves. With our mobility programs there is no reason why, especially when we consider that young people like to move around the country, we cannot make this new manpower retraining scheme the most modern and up to date of its kind in the world. I believe we are on the right track. I admit that some of our problems in the welfare field must be tackled. We cannot just hand cash to people and put them in a better position if they stay home than they would be in if they took even a job paying low wages.

The measures taken by the Minister of National Health and Welfare (Mr. Munro) in the welfare field, though glibly condemned by the press as useless efforts are beginning to show signs that encourage one to become optimistic. Officials involved in the field of welfare are pointing out certain inequities in the position of people on welfare. For instance, they have shown us that those who control welfare expenditures generally have not

taken into account the problems of those receiving it. They have pointed to methods of improving the entire system. In future I hope that when a man who has been on welfare is offered a job paying less than his welfare benefits, he will obtain a supplement to make up the difference if he can prove that he was getting more on welfare. By adopting such measures I think we will avoid the waste created in the field of welfare.

Unemployment and its evils will be cured by the economic policies of this government. Tonight I do not want to make a trite speech. I wish to make a constructive contribution and suggest how we can conquer inflation and unemployment. I submit that in certain areas the Prices and Incomes Commission did not go far enough last year. I submit that the steps taken were fine, considering that we were dealing with new techniques. I am proud of the results. In some respects the economy of this country has performed better than the economy of any country in the world.

I wonder whether we could not now devise a procedure whereby if Dr. Young and the commission made inquiries into an industry in which costs or prices were mounting, the commission could declare that in its opinion an economic emergency existed with respect to that industry. Step No. 2 would be that either the Prime Minister or the Minister of Finance might act. I am not sure just how the plan would work; I realize there are imperfections in it. However, I believe that a general plan of this type would be good and the commission ought to be empowered to make such a decision. I submit that it should be able to say that an economic emergency existed with respect to a certain industry. Once an economic emergency had been declared, I submit that the federal government should invoke its constitutional powers in order to deal with the emergency. First a declaration of emergency ought to be made. Once it had been made, that the Department of Finance should have the power to impose what might be known as an anti-inflation tax on the offending party. It could be applied with respect to wages or prices.

I do not think that the workings of such a plan have been spelled out in Canada. A similar plan worked well during the war when we imposed an excess profits tax. That was one of the best administered tax measures of the Second World War and it was effective. If such a measure was effective during the Second World War, why could we not impose a similar measure now? Part of our difficulty stems from the fact that we have been reluctant to act owing to uncertainties in respect of the Constitution. We ought to be unanimous on this point. I submit that the question whether the government of Canada has the power to do this should be referred to the Supreme Court of Canada, if there is any doubt about it at all.

I think we should do that now. Let us not wait another six months. Let us refer the question to the Supreme Court of Canada and learn whether the federal government under the peace, order and good government decisions which have been handed down by the Privy Council, has the constitutional authority to take these steps. If there is that authority, I submit that the federal government could control any economic sector that is in jeopardy at any given time. This would not mean that we would be introducing powers to control prices and incomes. Surely the federal government could impose controls, say for one year or for a temporary period.

If such a measure were enacted, I submit that many such cases would never arise: It would not be worth while for unions or management to seek increases. Therefore, the use of the legislation would probably be minimal. There would be much criticism from the press and certain pressure groups if the government attempted to take this kind of step. Nevertheless, I think the majority of the Canadian people want this type of control. We need something on the shelf which can be used constructively and fairly to control inflation.

I do not think these are impractical suggestions. What I fear is that we will delay referring the matter to the Supreme Court of Canada. I hope soon we do so, and I urge the Minister of Justice (Mr. Turner) to consider the matter. I urge the Minister of Labour, who is in the House tonight, to advocate this step being taken. Let us do it now. Every time we refer a matter to the Supreme Court of Canada the air is cleared in many constitutional areas. We have made good progress by taking this step in the past. Conversely, by being reluctant to refer certain matters to the Supreme Court of Canada, especially those involving constitutional problems, we have created defences against reform measures. I think we could avoid that by referring the question to the Supreme Court of Canada.

The steps which the Secretary of State (Mr. Pelletier) announced will be taken this summer with regard to opportunities for youth are a small but important part of the reorganization of our economy. We have faced the fact that young people in Canada possess initiative. Their ideas are sound. If we give them the opportunity to demonstrate that they can do work that is useful and creative, I am sure we shall not be disappointed. I am sure that the youth retraining measures will be popular throughout the country. They will enable young people to help themselves. Many young people like the idea of travelling. I know that many people in the work force say, "I couldn't do that when I was young; I wish I could do it today." Young people will move around no matter what we say. Canadians apparently want to see their country, and I am very proud that they do. They are explorers, they have initiative and they are inquisitive. Surely if about 10 per cent of the money made available under the youth programs helped our young people to get around their own country and see it, they would learn more about the country and prospects for the future of this nation would be improved.

• (9:10 p.m.)

Mr. Max Saltsman (Waterloo): As always, Mr. Speaker, I listened with considerable interest to the intervention of the hon. member for Calgary South (Mr. Mahoney). I could not help noting his concluding remark and the inference that could be drawn from it. The hon. member seems to believe that the only reason we have unemployment in Canada is in order that the opposition will have

an issue to debate. He also seems to believe that the opposition in some way has created unemployment because we need something to debate. It displays a cynicism that is characteristic of members opposite who say that is why we are debating unemployment.

An hon. Member: Come on!

Mr. Saltsman: The three quarters of a million people who are out of work were not put out of work because of the actions of the opposition. They were put out of work by the deliberate policy of this government. The hon. member feels there will not be any issues to handle once the Liberal Party solves the problem of unemployment. After all, the Lord giveth and the Lord can take away: the government created unemployment and they think they can solve the problem. The government is not going to do that. I do not see any evidence that they will. I suggest that if they do solve the problem, with their ability to do stupid things they will create enough issues so that the opposition will not have to worry about subjects to debate in this House.

I do not know what members opposite expect of members of the opposition. Do they want us to go around patting their little heads, telling them what good boys they are and that the unemployment they have created is a very satisfactory way of running this country? Do they want us to congratulate them on the human misery they have intentionally created in our society?

Mr. Hogarth: If you say we are good, we must be bad.

Mr. Saltsman: Socialists do not believe in generic evil. We like to think that because of the environment and association which members opposite have and the way they are huddled together, by reinforcing each other they come to the same sad conclusions.

Some hon. Members: Oh, oh!

Mr. Saltsman: If members opposite will contain themselves, perhaps we can help them. We believe they should improve their environment. If they are open-minded, they may be able to learn something. We even have hope for them.

An hon. Member: They cannot learn anything.

Mr. Saltsman: Don't be too hard on them. They are not all bad—just most of them. Perhaps they want us to congratulate them on having created the slowest rate of growth of any industrial society in the world.

An hon. Member: Oh, oh!

Mr. Saltsman: The hon. member says, "Oh, oh". It happens to be a fact. It is true. This country has the lowest per capita growth of any industrialized society in the world. When we look at the endowments of nature and the potential riches of our society, we wonder how even a Liberal government could have destroyed this country as effectively as they have. This country has some of the world's richest resources, finest farms and an educated population. The government has tried hard to wreck the economy. The government should be given "A" for effort, because they have tried hard. Their efforts have met with considerable success: we have the highest level of unemployment in the western world.

Mr. Marchand (Langelier): You sound happy about it.

Mr. Saltsman: I am not happy about it, and I am not happy to see you sitting there. In the course of the debate, the hon. member for Burnaby-Seymour (Mr. Perrault) interjected "What about Sweden, when talking about inflation? After all, Sweden has the highest rate of inflation." The hon. member is correct but, like everything else he does, he only looks at the big print and not at the explanation below. The fact is that the rate of unemployment in that country has never exceeded 1 per cent. Sweden has a harsher climate than our own, and less resources. The rate of unemployment may be somewhat higher this year, but this has not been the case throughout history. They have not paid the price that we have had to pay for unemployment.

Mr. Gibson: You pay $5 for breakfast over there.

Mr. Saltsman: Members opposite seem to be very anxious to take part in the debate as long as they do not have to stand and be recognized. They slumped in their seats after the hon. member for Trinity (Mr. Hellyer) finished dragging them over the coals for their policy.

Some hon. Members: Hear, hear!

M. Saltsman: I will be very interested to hear their brilliant points and magnificent repartee when their turn comes to speak. I would like to hear them speak on their feet rather than from their seat. Perhaps they do not think as well on their feet; they need communication through their seat. I will try to understand the situation. Members opposite are always terribly pained when criticized. The lovely angels over there get a hurt expression on their faces and ask, "How can opposition members say such things about nice people like us?"

I suspect that members opposite think they should be congratulated for the loss of dignity the working men of this country are encountering and the frustration they feel when standing in line at Manpower offices which have no jobs available. As a result, they have to go on welfare. The municipalities are in a desperate situation, yet government members think they have done a good thing. They pride themselves on introducing a training program for students.

Some hon. Members: Hear, hear!

Mr. Saltsman: Why are you congratulating yourselves? You put them out of work in the first place. You threw them out of work and you have no jobs for them.

Mr. Speaker: Order, please. The hon. member might give some thought to addressing the Chair.

Mr. Saltsman: Thank you, Mr. Speaker. The temptation is very great but I will try to resist it. I appreciate the direction from the Chair in this matter, although Your Honour must admit there was extreme provocation

from the other side. We are a very charitable group. We find it very difficult to understand why the government has created unemployment as a matter of policy. We think about this once in a while. We like to think they must have had some reason for making Canada the laughing stock of the world.

When you speak to a worker from Germany or any other country about the level of unemployment that exists in Canada, he finds it impossible to comprehend; he just does not understand it. When you tell him that the government which the people of this country elected did it deliberately because they thought it was a good thing, it becomes more impossible to comprehend. And not only workers in countries which do not have our level of unemployment find it difficult to understand. When I tell someone in my riding who is unemployed and suffering the effects of unemployment that the government of Canada did this, he does not believe me. Canadians are very prone to praise their governments. They have a great deal of faith in their governments and want to believe in them. They do not want to believe that the federal government would do such a terrible thing to them. In fact, their government has broken faith with them. The government which they thought they could trust, cannot be trusted. The evidence is before their eyes.

We must go further and ask why the government believes that unemployment has to be created and that inflation is such a terrible problem, particularly when every country in the world is undergoing inflation. All the evidence has been placed before this government by committees of the House of Commons and independent economists. Virtually all the people who have examined this problem have told the government that there is a limit to what can be done about inflation.

• (9:20 p.m.)

It is almost impossible for a country to have a better record of inflation that its trading partners. It is obviously not impossible to have a better record if you are prepared to pay the price, and the price is horrendous in its effect upon individuals and their lives. This government has been ready to pay that price. It has ignored all the advice which has been given to it. It has ignored the conclusions of committees of the House of Commons which have examined the subject of inflation, and it has pursued its own ideology.

An hon. Member: Idiocy.

Mr. Saltsman: Perhaps that is a good term for it. There is a myth in this country which the government has accepted because it is one favoured by friends, by those who keep it in office and support it at the top level: it is that because we are an exporting nation there has to be a certain amount of unemployment. After all, unemployment is the whip, the discipline of the labour force and without unemployment the labour force would become totally unruly and we would be unable to export goods, and in the absence of such control we would price ourselves out of world markets!

Alleged Failure to Improve Economy

Mr. Mahoney: Is that your policy or somebody else's?

Mr. Saltsman: It is the kind of policy you have been pursuing.

Mr. Mahoney: I don't recognize it.

Mr. Saltsman: The exporters of raw material want unemployment in Canada. It is good for them. After all, they do not depend on the prosperity of this country for their survival; they want prosperity in somebody else's country. They want employment in somebody else's country but they want unemployment at home. This is not true of all businesses. There are many businesses which depend on the purchasing power of the workingman. If the workingman is out of employment, these businesses would be unable to sell their products or services to him.

There is a group of exporters which I believe has tended to dominate the opinions of government and press its views on government. This group has tended to equate the prosperity of this country with the export of raw materials, and I believe its view has prevailed. This is one of the attitudes which must be countered. Even the Minister of Finance (Mr. Benson) expressed concern in a speech he made the other night, as reported in this morning's paper, that by exporting our raw materials we might be inhibiting our manufacturing industries. He is concerned that our manufacturing industry is not developing as it should. The reason is obvious. It is because of the favouritism which has been shown to the resource industries. Let the government deny this if it can.

When the Carter commission suggested that the mining, oil and gas industries should be treated less leniently, the government backed off in its white paper. Before the committee which was examining the white paper had an opportunity to report, the government backed away still further and as a result the resource industries retained the benefits they had always enjoyed. It is not possible to stimulate one section of the economy without in some way disadvantaging another. Nevertheless, the government has continued its policy of favouring the resource-based industries and giving them everything. Had these policies resulted in the extraction industries remaining in Canadian hands or making a substantial contribution to the economy, they might have been excused or understood; but this has not been the case.

These industries have not paid their full share of taxes, as has been well documented by a former Minister of Finance, Hon. Walter Gordon, in his book "Choice for Canada." The Carter commission report showed they had not paid their way in terms of social costs, as evidence by abandoned townsites and badly treated employees, and that they had not paid their way in terms of providing adequate job opportunities for the growing labour force.

A great deal has been said today about unemployment. Several of my hon. friends have made suggestions as to what we should be doing, so this has not been an entirely negative debate. I sincerely hope that somehow or other something will get through the skulls on the other side of the House, that some since of humanity will permit them to realize that the great evil our society should not bear

is unemployment, and that we cannot solve our problems in a climate where people are thrown out of work in the name of fighting inflation.

Mr. Cliff Downey (Battle River): Mr. Speaker, I have been interested to note that the comments in the debate today have not all been negative. As the hon. member who preceded me said, some valuable suggestions have been made. Nevertheless, it will be difficult for speakers to avoid making comments of a negative kind since the actions of the goverment have been such as to provoke them.

A few minutes ago the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) referred to the LIFT program and certain other programs the goverment has designed for the agricultural community. I say to the parliamentary secretary that if he were to calculate the reduction in cost which the government would experience by eliminating the temporary wheat reserves legislation and the costs over the years which have been incurred through PFAA payments, that is, the contribution of the government, he would find that the plans which it is implementing will result in a net saving in the long run.

It has been suggested today that there ought to be tax cuts. On the other hand, government supporters have argued that tax cuts would mean resorting to further borrowing. They sometimes laugh wen we put it to them that economies could be effected. It is difficult to understand why economies cannot be made when one considers that governements in Canada are now taking 35 per cent of the tax dollar, whereas in the United States burdened by the enormous cost of the Viet Nam war, they are taking only 28 cents of the tax dollar. Australia, which has had a social reform program for some time, is taking 21 per cent of the tax dollar; and Japan, with its go-ahead economy, is taking only 16 cents. So Canada is levying the highest portion of the tax dollar, and I believe there must be something wrong when this is the case.

We have recently seen a burgeoning of government departments that is without precedent, and the government re-organization bill, if implemented, will further expand this process. I was interested to note that on March 23, in reply to a question about bringing in West Indians to work on farms, the Prime Minister (Mr. Trudeau) made this comment, as reported at page 4508 of *Hansard*:

● (9:30 p.m.)

—this is a perennial problem and it must be recognized that this is a type of work that very often students or unemployed will not do. This is why the Department of Manpower and Immigration is admitting foreign workers—

In answer to a supplementary question the Prime Minister stated:

The purpose of the Manpower centres is to send the unemployed or the students to take part in this work. But, once again, facts reveal that there are in Canada some types of work which the unemployed and the students refuse to do; this proves, by the way, that the rate of unemployment is at times somewhat artificial.

[Mr. Saltsman.]

With the vastly improved unemployment insurance schemes that are forthcoming, I believe we should turn our attention to looking after workers who are genuinely unable to find work. A system that allows foreign workers to be brought in while the unemployed of this country are paid to do nothing is in need of overhaul. This is something that the Minister of Labour (Mr. Mackasey), and only the Minister of Labour, can remedy. This situation is creating in this country the attitude on the part of people that they should be paid whether or not they work. The government is suggesting putting $50 million into a fund so students can take trips across the country this summer. At the same time it is allowing workers to enter Canada to take up jobs that these students do not wish to do. I say this is one economy that the government could well make.

The Minister of Finance (Mr. Benson) has been berated on many occasions and, I think most of us will agree, justifiably. I was going to say that he has been acting something like a bull in a china shop in his position as Minister of Finance, but I think it would be more accurate to say that he has been acting more like a bulldog because he has hung on to his white paper in face of opposition from one end of the country to the other. He has hung on to the concept that he can screw up taxes to the point where he destroys initiative.

I suggest that one of the major causes of unemployment stems from the fact that the people have lost confidence in the government's ability to create a climate for business investment. It is this psychological depression in regard to the future of business in general that contributes to 90 per cent of the unemployment from which we are now suffering and to 90 per cent of our business failures. The Minister of Finance is asked questions every day in this chamber about these matters, but reacts as though he continually has a chip on his shoulder which of late has grown into a woodpile. I should like to see his parliamentary secretary or another member of the government—if we must continue to have this kind of government—take on the minister's job, because I think the minister has done all the damage to this country that he should be allowed to do. We can at least give some of the members on the other side the benefit of the doubt.

Another matter requiring attention and which should be mentioned a little more in the House concerns the money being spent on looking after the province of Quebec. Although they are fine people, we must start to regard the province of Quebec as equal with the other provinces in Canada.

Mr. Ricard: That is what we want, nothing else.

Mr. Downey: During the last provincial election the government now in power calculated that about $1 billion accrued to the province from the federal treasury. I do not think we can continue to bear this burden. If they are going to stay in confederation, they must be treated as equals and receive an equal portion of the moneys flowing from the federal treasury. I suggest that this government is bribing that province because it has continued to be its power base throughout the years. Because of this bribery, an administration as ineffectual

and as inept at governing as this one has continued to stay in power.

In addition, a disproportionate amount of equalization grants and regional development payments are being made to this province to the tune of almost half of the total amount for the rest of Canada. I noticed that out of $18 million worth of capital projects, $16 million went to this one province. I also noticed in the miscellaneous estimates committee the other day, under an item concerning manpower mobility, that something like 19 fewer workers were moved in the province of Quebec than in the province of Ontario under the program, yet the cost of moving this fewer number of workers was well over $1 million more. I suggest this sort of thing goes on all the way down the line.

Only a few of these cases are brought to the attention of the public. Many members of the House are reluctant to speak of these matters because these people are friends and personalities. We want them to be with us as much as we want anybody in this country to be with us, but I say that things will have to be far more equally managed in the future if we are to maintain the relationship we have had in the past.

A great deal is said in this kind of debate about employment. I am wondering whether full employment is possible in this day and age of technological advance. Certainly it is no comfort to read the sort of articles that are written today in this regard. I have two publications here, one from last week's *Globe and Mail* which says:

• (9:40 p.m.)

By the end of this century Canada will be a nation of apartment dwellers, most adult women will have jobs outside the home . . .

The average work week will fall from the present 40 hours to 28 or 29 hours . . .

This vision of Canada in the year 2000 is projected by Systems Research Group, a Toronto-based analytical group which describes itself as a Canadian think tank.

In a study commissioned by the federal government, Systems Research calculates that gross national product at the end of the century will amount to $288 billion in constant 1967 dollars, compared with $75 billion in 1970 . . .

The population probably will reach 33.8 million, up 70 per cent from the 20 million record in the 1966 census.

They also suggest that employment will vastly increase. In another newspaper published two or three days after that I read an article headed, "Can women really be replaced by machines?" It says that people are already working on machines—

Mr. Perrault: Mr. Speaker, would the hon. member permit a question?

Mr. Speaker: Order, please. The hon. member for Burnaby-Seymour (Mr. Perrault) seeks the floor for the purpose of asking a question, but I gather the hon. member who has the floor is not prepared to allow the question. In that case he should be allowed to continue his speech.

Mr. Perrault: I was just going to ask for the name of the publication, the date and the page.

Alleged Failure to Improve Economy

Mr. Downey: The hon. member from B.S. could just as well ask me after the sitting tonight. This quotation is from the Ottawa *Citizen* within the last two weeks, if that helps.

However, in future, says my technological informant, the correspondent will pick up his telephone (called a communicator by then) and dictate his message. It will be passed electronically into the recipient's machine. When the recipient chooses to inspect his mail, he will merely push a button and listen.

Having listened to his mail, he will answer it. The messages will be transmitted to his correspondents in the same electronic way.

Then the whole exchange—incoming and outgoing—will be filed away in a memory bank.

It goes on to say—

Mr. Speaker: Order, please. I regret that I have to interrupt the hon. member. It being 9.45 p.m. it is my duty, pursuant to section 10 of Standing Order 58, to interrupt proceedings on the motion now before the House in order to put every question necessary on Supplementary Estimates (C), interim supply, and any bill or bills based thereon.

MOTION FOR CONCURRENCE IN VOTE 25c, DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS

Hon. C. M. Drury (President of the Treasury Board) moved:

That vote 25c, program expenditures for the Prices and Incomes Commission, Department of Consumer and Corporate Affairs, for the fiscal year ending March 31, 1971, be concurred in.

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

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker, when the Chair puts this motion to the House should there not also be included in it the amount of the vote which, as listed in 25c of the supplementary estimates, is $1,250,000?

Mr. Speaker: There is no objection. If there is agreement, the motion will be amended as suggested by the hon. member for Winnipeg North Centre (Mr. Knowles).

Mr. Knowles (Winnipeg North Centre): Because that is what we are voting against.

Mr. Speaker: The motion is the following one:

That vote 25c, program expenditures for the Prices and Incomes Commission, Department of Consumer and Corporate Affairs, in the sum of $1,250,000 for the fiscal year ending March 31, 1971, be concurred in.

Is it the pleasure of the House to adopt the said motion? All those in favour of the said motion will please say yea.

Some hon. Members: Yea.

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

Some hon. Members: Nay.

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

Division

And more than five members having risen:

Mr. Speaker: Call in the members.

The House divided on the motion (Mr. Drury) which was agreed to on the following division:

• (9:50 p.m.)

YEAS

Messrs:

Allmand
Badanai
Barrett
Béchard
Beer
Blouin
Boulanger
Breau
Brown
Buchanan
Cafik
Chappell
Chrétien
Clermont
Cobbe
Comtois
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Davis
De Bané
Drury
Dubé
Dupras
Duquet
Éthier
Faulkner
Forget
Francis
Gendron
Gibson
Gillespie
Givens
Goyer
Gray
Guay (St. Boniface)
Guilbault
Haidasz
Harries
Hellyer
Hogarth
Howard (Okanagan Boundary)
Hymmen
Isabelle
Kierans
Lachance
Laing (Vancouver South)
Lang (Saskatoon-Humboldt)
Langlois
LeBlanc (Rimouski)
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lind
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
Mackasey
McIlraith
McNulty
Mahoney
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Morison
Munro
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Penner
Pepin
Perrault
Portelance
Pringle
Prud'homme
Richard
Richardson
Roberts
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Sharp
Smith (Saint-Jean)
Stafford
Stanbury
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Sullivan
Thomas (Maisonneuve-Rosemont)
Tolmie
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Watson
Whelan—106.

NAYS

Messrs:

Alkenbrack
Barnett
Beaudoin
Bell
Benjamin
Burton
Comeau
Dinsdale
Dionne
Douglas
Downey
Forrestall
Fortin
Gilbert
Gleave
Grills
Gundlock
Hales
Harding
Horner
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Lambert (Edmonton West)
La Salle
Lundrigan
MacInnis (Cape Breton-East Richmond)
MacInnis (Mrs.)
MacLean
Macquarrie
McCleave
McGrath
McIntosh
McQuaid
Marshall
Mather
Mazankowski
Monteith
Moore
Muir
Murta
Nielsen
Noble
Nystrom
Orlikow
Paproski
Peddle
Peters
Rodrigue
Rose
Rowland
Saltsman
Scott
Skoberg
Southam
Stewart (Marquette)
Thomas (Moncton)
Thomson (Battleford-Kindersley)
Valade
Yewchuk—59.

[Mr. Speaker.]

Mr. Speaker: I declare the motion carried.

MOTION FOR CONCURRENCE IN SUPPLEMENTARY ESTIMATES (C) EXCEPT FOR VOTES 10c AND 35c OF DEPARTMENT OF VETERANS AFFAIRS

Hon. C. M. Drury (President of the Treasury Board) moved:

That the supplementary estimates (C) of sums required for the service of Canada for the year ending March 31, 1971, except for votes 10c and 35c relating to the Department of Veterans Affairs, and any vote concurred in this day, be concurred in.

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

Some hon. Members: Agreed.

Motion agreed to.

Mr. Drury thereupon moved that Bill C-235, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1971, be read the first time and printed.

Motion agreed to.

Mr. Speaker: When shall the said bill be read the second time?

Some hon. Members: Now.

Mr. Drury thereupon moved that Bill C-235, for granting to Her Majesty certain sums of money for the public service for the financial year ending March 31, 1971, be read a second time and referred to the committee of the whole.

Motion agreed to, bill read the second time, considered in committee and reported.

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

Some hon. Members: By leave, now.

• (10:10 p.m.)

Mr. Drury moved the third reading of the bill.

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

Mr. Lambert (Edmonton West): On division.

Motion agreed to and bill read the third time and passed.

INTERIM SUPPLY. APRIL TO JUNE 30. 1971

Hon. C. M. Drury (President of the Treasury Board) moved:

That this House do concur in interim supply, as follows:

That a sum not exceeding $2,183,638,929.41 being the aggregate of:

(a) Three-twelfths of the total of all the Items, except for Urban Affairs and Housing Item 1, set forth in the estimates for the fiscal year ending 31st of March 1972, laid before the House of Commons at the present session of Parliament $2,061,893,012.75.

(b) An adidtional six-twelfths of the total amount of Department of Insurance Item 25 (Schedule A) of the said estimates $314,250.00.

(c) An additional three-twelfths of the total amount of Atomic Energy Control Board Item 30, Transport Items 40 and 50, and Northern Transportation Company Limited Item L90 (Schedule B) of the said estimates $13,799,000.00.

(d) An additional two-twelfths of the total amount of Atomic Energy of Canada Limited Item L45, Manpower and Immigration Item 10 and Treasury Board Item 5 (Schedule C) of the said estimates $71,483,333.33.

(e) An additional one-twelfth of the total amount of Canadian International Development Agency Item 20, Dominion Bureau of Statistics Item 35, National Health and Welfare Item 30, Medical Research Council Item 50, Secretary of State Item 15, National Arts Centre Corporation Item 75, Supply and Services Item 10, National Research Council of Canada Item 25 (Schedule D) of the said estimates $36,149,333.33.

be granted to Her Majesty on account of the fiscal year ending 31st of March 1972, providing that, in accordance with the recommendation of His Excellency the Governor General, any bill introduced as a result of the adoption of this motion shall provide that any reference to the expression "environment" in the said Estimates shall be read and construed as a reference to the expression "fisheries and forestry".

Motion agreed to.

Mr. Drury thereupon moved that Bill C-236, for granting Her Majesty certain sums of money for the public service for the financial year ending March 31, 1972, be read the first time and printed.

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

Mr. Deputy Speaker: When shall the said bill be read the second time?

Some hon. Members: Now.

Mr. Drury thereupon moved that Bill C-236, for granting Her Majesty certain sums of money for the public service for the financial year ending March 31, 1972, be read the second time and referred to the committee of the whole.

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

Mr. Lambert (Edmonton West): Mr. Speaker, I wish to raise a point of order. The bill is being handed out for the first time for the consideration of this House. I think that this shows just a little too much crust on the part of the government. In large characters on the front page we see "As passed by the House". I think that this is a bit much.

Mr. Monteith: The government is being arrogant, as usual.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I rise on—

[*English*]

Mr. Deputy Speaker: Order, please. I might mention to the hon. member that the Standing Orders do not provide for debate at this point. If the hon. member is rising on a point of order, I can hear him. I cannot hear him if he is rising for the purpose of debate.

Mr. Lambert (Edmonton West): Mr. Speaker, I rise on a further point of order to object to the manner of the printing of these bills, which comes under the authority of the Chair. I object on the part of those I am associated with and, I am sure, on the part of all opposition members—and I point out that there is no saving here—particularly because some date has been put on the bill. Frankly, I do not know of any date reading "zero, zero, March, 1971". Why on earth are the words "As passed" printed on the bill? This may be a tiny matter, but I draw it to the attention of the Chair. I think the Chair ought to take very careful note of this representation because the responsibility for the services of the House comes under the Chair.

Mr. Monteith: Further arrogance.

Mr. Bell: The same old bunch.

Mr. Deputy Speaker: Order, please. I will recognize the hon. member for Lotbinière (Mr. Fortin) on a point of order.

[*Translation*]

Mr. Fortin: Mr. Speaker, I rise on a point of order. The bill now before us takes the House's intentions for granted, since it includes "As passed by the House of Commons on March 00, 1971", to which I object.

Mr. Speaker, as far as I know, there is no such date and in this regard I support the views expressed by the hon. member for Edmonton West (Mr. Lambert).

Another remark I want to make is that we do not know who is sponsoring the bill since no sponsors' name is indicated. I would therefore ask you to take that into consideration before reading the motion.

[*English*]

Mr. Deputy Speaker: Order, please. The Chair has recognized the point of order. I understand that this is a pro forma bill.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Honey in the chair.

Clauses 2 to 5 inclusive agreed to.

On clause 6—

[*Translation*]

Mr. Fortin: Mr. Chairman, I apologize because I do not possess a thorough knowledge of the Standing Orders of the House. If we are not entitled to debate the matter, why is it submitted to us?

[*English*]

The Chairman: Order, please. I would mention to the hon. member that there is no provision for debate.

[*Translation*]

Mr. Fortin: Mr. Chairman, I apologize for renewing my attempt but, considering your vast experience and your extensive knowledge of the procedure, I would like you to explain to me, at this point, what are my rights as an elected member of the House. As a matter of fact, how can I know what these votes mean if I am not allowed to discuss them? I would like to know my rights in order to use them constructively.

[*English*]

The Chairman: Order, please. I might mention, in reply to the question of the hon. member, that the Standing Order is very long. I do not think hon. members would want me to read it at this point. I would refer the hon. member and the House to Standing Order 58(10) which provides for no debate at this stage of the proceedings.

[*Translation*]

Mr. Fortin: Mr. Chairman, I wish to protest strongly against this type of democracy which prevents us from discussing votes that the government is asking us to pass.

[*English*]

The Chairman: Order, please. As the Chair has indicated to the hon. member, it is not a question of discretion of the Chair or discretion of hon. members: it is a Standing Order adopted by this House. At this stage of the proceedings there is no provision for debate. I again refer the hon. member to Standing Order 58(10). I do not want to burden hon. members by reading it at this time There is no provision for debate, under this Standing Order. With respect, the Chair has no discretion to hear the hon. member.

An hon. Member: What is the Standing Order?

The Chairman: Order, please. The Chair has previously indicated that there is no discretion in the Chair to hear the hon. member. The Standing Order to which I have referred provides that the question be put without debate. Standing Order 58(10) reads:

—he shall put forthwith successively, without debate or amendment—

If the hon. member has a question of privilege or point of order to raise, it cannot be done at this point. There may be another opportunity when the hon. member may be able to do this, but not at this point of the proceedings.

Clause 6 agreed to.

Clause 7 agreed to.

Schedules A to D inclusive agreed to.

On clause 1—

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I rise on a point of order. I recognize that Your Honour has correctly interpreted the Standing Order with respect to our proceedings at this point, but there is one point that should be observed. For many years when we were asked to vote interim supply, we were always given an assurance by the minister proposing the bill that the bill was in proper form and, furthermore, that the passing of interim supply would not prejudice our rights to discuss in the proper place any of the items, portions of which are granted in advance. I think that assurance should continue to be given to us.

Mr. Drury: Mr. Chairman, I am glad to give the assurance that the bill is in the usual form and indeed is in proper order. Further, the passing of this bill will not prejudice the rights and privileges of members to criticize any items in the estimates when they come up for consideration in committee. The usual undertaking is given that such rights and privileges will be respected and will not be curtailed or restricted in any way as a result of the passing of this measure.

• (10:20 p.m.)

Mr. Peters: On a point of order, before we pass clause 1 I ask whether hon. members who have not been handed a copy of the bill, and who thus have had no opportunity of seeing its contents, should be asked to pass it. I am aware that this has been the practice for the past two or three years.

Mr. Drury: Centuries.

Mr. Peters: No, not for centuries. We have discussed the business of supply ad nauseam since I have been here.

Some hon. Members: Hear, hear!

Mr. Peters: If I said anything in a foreign language which is not correct, I apologize. It seems to me we should refer this question to the Standing Committee on Procedure, because this is a really idiotic manner of handling the operation.

The Chairman: Order, please. The hon. member may have a very good argument, but I respectfully suggest

that this is not the point at which it can be advanced. The Chair does not have the discretion to hear argument or debate on the matter at this time. I will hear the hon. member further on the point of order if he has anything to say with regard to it, but I must tell him this is not the time at which the Chair can make a determination of the point he has raised.

Mr. Peters: I am not in a position to raise this matter with Mr. Speaker at this time, but I am raising it with you, Mr. Chairman, and I expect you to report to Mr. Speaker the representation I have made. This situation is a left-over from the changes made in the rules. It is a stupid, silly kind of process to go through when members do not have the opportunity of discussing the matter.

The Chairman: The Chair has noted the hon. member's point of order and it will be conveyed to Mr. Speaker as requested. It is within the competence of hon. members to change the procedure under our Standing Orders if they, in their wisdom, think this ought to be done. But they cannot be changed at this point. I must follow the Standing Orders and continue the proceedings in committee of the whole.

[*Translation*]

Mr. Fortin: On a point of order, Mr. Chairman.

We have just received copies of the bill and a while ago I respectfully asked you a question. I would like to know whether it is true that I can rise on a question of privilege or raise a point of order. I would like you to tell me now what are my rights.

Some hon. Members: No.

Mr. Fortin: Mr. Chairman, I would like you to help me continue my remarks by calling members opposite to order.

[*English*]

The Chairman: I have indicated to the hon. member that there is no opportunity for debate at this point in the proceedings. Like the hon. member who preceded him, the hon. member has raised a point of order and registered what is, in effect, a grievance against the Standing Orders. It has been noted. I repeat, it is not within my competence or, indeed, within the competence of hon. members to deal at the stage of committee of the whole with this point of order. But it has been noted and, with respect, that is really all the Chair can do at this point.

Mr. Valade: Mr. Chairman, may I be permitted to raise a further point of order? I do not want to hinder the Chairman in carrying out his responsibilities, but I should like to point out that all members of the House are being asked to vote on each item submitted to them. Since only a few members have a copy of the bill, how can we be expected to vote when we do not know the items? Furthermore, before we pass these items I should like to ask whether the government will ensure that each member does have a copy.

The Chairman: Order, please. The hon. member has in essence raised the same point of order raised by the hon. member for Lotbinière and by the hon. member for Timiskaming. I can only repeat that I have heard their representations. There may well be a great deal of sympathy for them. But this is not the proper time to make them, though the representations have been noted. With respect, as Chairman of the committee I have no jurisdiction to change the procedure established by the Standing Orders.

Mr. Nielsen: Where is the bill we are voting on?

The Chairman: Order, please.

Mr. Lambert (Edmonton West): I rise on a point of order, Mr. Chairman.

Some hon. Members: Oh, oh!

Mr. Lambert (Edmonton West): Let us not have talk about Standing Orders—

The Chairman: Order, please. If hon. members want me to read the Standing Order—

Some hon. Members: Read the bill.

The Chairman: Order, please.

Mr. Lambert (Edmonton West): Mr. Chairman, I will be heard.

The Chairman: Order. The Chair will recognize the hon. member for Edmonton West.

Mr. Lambert (Edmonton West): With the greatest respect, Mr. Chairman, I suggest there is not one word in the Standing Orders about the distribution or non-distribution of bills before their acceptance. My colleague for Sainte-Marie merely raised the point that it is impossible to have intelligent consideration of a request to pass a bill without copies of the bill being distributed. I put it to you again that since the procedure of the House is under the control of the Chair, the time to make representations regarding the distribution of a bill is now, so that the Chair becomes aware of them. There is no other time for an individual member to raise such a point of order. The point is germane at this time and I suggest my colleague for Sainte-Marie was perfectly right in making the suggestion he did.

The Chairman: Order, please. I understand the point made by the hon. member for Eddmonton West and I have a great deal of sympathy for this point of order. The hon. Member supports the hon. member for Sainte-Marie, and the same point of order was made by the hon. member for Lotbinière and the hon. member for Timiskaming. As I perceive it, the points of order are essentially the same, and personally I have a great deal of sympathy with them. My position as Chairman is that hon. members may raise, if they wish, points of order ad infinitum. But I have no jurisdiction at this point to correct or rectify the matters about which they complain. They may be very valid matters. I think it is very

important that they be put on the record, but I have no jurisdiction to change the Standing Orders at this point of the proceedings.

• (10:30 p.m.)

[*Translation*]

Mr. Fortin: Mr. Chairman, I have heard your remarks with a great deal of interest, and I recognize that you do not have the required authority to change our Standing Orders at this very moment. Since hon. members have only received a copy of the bill seconds before this stage of the proceedings, and since we do not have the right to discuss it, to put questions, so as to know what it is all about, why not then adjourn until tomorrow, to enable the House leaders of all parties to get together, and also to enable each member to get a copy of the bill under consideration?

Mr. Speaker, I still claim that there is discrimination toward the hon. members, and that each one of them is entitled to have on hand a copy of the Appropriation Act, so that the House will give it more than rubber stamp approval.

[*English*]

Mr. Bell: On a point of order, Mr. Chairman, and in an effort to be helpful, I point out that we have gone through this procedure for two or three years. I do not think anybody in the House likes it. But what is making us extra nervous and suspicious this time is that the members on the treasury benches are all here for the first time in years, with the exception of the Secretary of State, glued to their seats and glaring at us. If they would all go home to bed, the rest of us could deal satisfactorily with this matter.

Mr. MacInnis: Mr. Chairman, I rise on a point of order for one purpose and one purpose only. It is apparent that members on this side of the House who have raised points of order have been immediately supplied with copies of the bill. I would like to have my copy now. I would also like you, Mr. Chairman, to read the rule of which you spoke.

The Chairman: Order, please. I think it might be helpful if the Chair were to read the standing order. Standing Order 58 (10) reads:

> On the last allotted day in each period, but, in any case, not later than the last sitting day in each period, at fifteen minutes before the ordinary time of daily adjournment, the Speaker shall interrupt the proceedings then in progress and, if those proceedings are not in relation to a no-confidence motion, he shall put forthwith successively, without debate or amendment, every question necessary to dispose of any item of business relating to interim supply, main estimates, and supplementary or final estimates, the restoration or reinstatement of any item in the estimates or any opposed item in the estimates, and for the passage at all stages of any bill or bills based thereon—

Hon. members have now heard the Standing Order. I can only repeat that the Standing Order must bind me. I have listened and am sympathetic to the points of orders of hon. members. If they wish to continue raising points of order, I will listen to them; but I would appeal to them not to raise the same point of order because it has been carefully noted.

[The Chairman.]

[*Translation*]

Mr. Fortin: Mr. Chairman, for the information of hon. members, I would ask you to read the Standing Order which allows the government to deprive hon. members of their copy of a supply bill.

[*English*]

Mr. Drury: Mr. Chairman, in relation to the points of order that have been raised it might be helpful if I were to explain that our custom is to deal with this matter in the form of a resolution, which is on the Order Paper today and of which each member has a copy. That resolution is the one we voted on tonight. This is followed by the consideration of a bill which is based explicitly and precisely on the terms of the resolution, which indicates in detail the provisions being voted on and granted. There is the further assurance, the customary assurance given by the government, that the bill is in accordance —precisely in accordance—with the terms of the resolution. I suggest, therefore, that if hon. members wish to know exactly what is contained in the bill they need merely refer to the resolution.

The Chairman: Order, please. Will hon. members resume their seats. I shall recognize them in a moment. Again I admonish hon. members not to reiterate the same point of order, because it has been well noted.

• (10:30 p.m.)

[*Translation*]

Mr. Fortin: Mr. Chairman, as the President of the Treasury Board (Mr. Drury) has just said, hon. members can read the main motion. Why not then take a ten-minute recess so I could let my colleagues read the only copy we have had so far in order to let everyone know what is going on?

Mr. Chairman, that is one of our most fundamental rights and if the government does not know enough to provide each member with a copy of the bill, thus forcing us to give it blind approval, the situation is utterly ridiculous and we will have to recognize that this is the type of democracy the Liberal administration imposes upon us.

[*English*]

Clause 1 agreed to.

The Chairman: Shall the preamble carry?

Some hon. Members: Agreed.

The Chairman: Shall the title carry?

Some hon. Members: Agreed.

The Chairman: Shall the bill carry?

Some hon. Members: Agreed.

The Chairman: Shall I rise and report the bill?

Some hon. Members: Agreed.

Bill reported.

[*Translation*]

Mr. Fortin: Mr. Speaker, as you are now reporting to the House on the proceedings of the committee, I feel I have the right to ask you, with all due respect, to report also on the objections we have raised, in order to respect the rights of hon. members.

If you make a report, make a complete one including the objections that were raised.

[*English*]

Mr. Deputy Speaker: Again I repeat I am very conscious of the objections contained in the point of order raised by the hon. member and other hon. members. I have indicated before, and will say again, that I have taken note of it. I know hon. members are concerned, and I also am concerned about the procedure. However, I again say I am bound by the Standing Orders of this House and must forthwith proceed to put all motions and all questions.

Mr. Lambert (Edmonton West): What about copies of the bill? That is not in the rules.

[*Translation*]

Mr. Fortin: Mr. Speaker, none of the Standing Orders forbid you to make a complete report to the House about proceedings in committee of the whole. This is why I ask you to include in your report to the House the objections of hon. members, with regard to the amendment of this Standing Order.

[*English*]

Mr. Deputy Speaker: When shall the bill be read the third time?

Mr. MacLean: Mr. Speaker, I rise on a point of order. Concern has been registered by members on this side of the House, and I believe by hon. members on the government side, about the inappropriateness of passing in a few moments a bill which most members have not seen. There is nothing in the rules regarding the availability of bills. It is understood they should be available.

It is not my intention to hold up proceedings. We are familiar with the rules which require the passage of supply at this point in the debate. However, I respectfully and strongly recommend, sir, that in future on every occasion such as this provision be made that bills which are to be passed be made available to all hon. members even if this is rather difficult and awkward to do under our present rules.

• (10:40 p.m.)

Mr. Peters: I rise on another point of order, Mr. Speaker. I suggest that the Chair does not do itself any good, or the members of the House, when Your Honour asks the consent of the House for third reading. The Standing Orders are very clear; they provide for the passage of all stages of any bill or bills based on these estimates. The Standing Order also refers to the ten o'clock adjournment. I suggest that we change our format, as I suggested during discussion of the interim supply bill. If there is no likelihood of objection to third reading, the Chair should not ask for consent to third reading because it makes everybody look foolish.

Mr. Deputy Speaker: I heard the representations of the hon. member for Malpeque (Mr. MacLean) and the hon. member for Timiskaming (Mr. Peters). The only way in which the Chair could not ask for third reading and not put the question, as I understand it, would be by unanimous consent of the House. I point out that nothing could impress me more than the arguments advanced by hon. members and the points of order raised by them. I would think that changes could be made through the proper processes. However, I am a captive of the Standing Orders.

If the hon. member wants me to ask for the unanimous consent of the House not to put the question on third reading, I will do so, but I must caution him that there would have to be unanimous consent. I reiterate that I am impressed with the points of order raised tonight and I hope that before we deal again with these questions in such circumstances, changes will be made which will make the procedure satisfactory to all hon. members.

Mr. Drury moved the third reading of the bill.

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

Some hon. Members: On division.

Motion agreed to and bill read the third time and passed.

Mr. Deputy Speaker: It being after ten o'clock. this House stands adjourned until tomorrow, pursuant to Standing Order.

At 10.45 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Friday, March 26, 1971

The House met at 11 a.m.

PRIVILEGE

MR. HORNER—REGULARITY OF ALL-NIGHT SITTING BY COMMITTEE ON AGRICULTURE

Mr. Speaker: Order, please. At the opening of Wednesday's sitting the hon. member for Crowfoot rose on a question of privilege in relation to an all-night sitting of the Standing Committee on Agriculture. In the course of his remarks the hon. member suggested that he was prepared to propose a motion in the following words:

That the question of the validity and regularity of the sittings of the Standing Committee on Agriculture, which began at 8 p.m. in the afternoon of Tuesday, the 23rd of March, 1971, and continued thereafter until 7.30 a.m. o'clock in the forenoon of the 24th of March, 1971, and of the proceedings at such sittings be referred to the Standing Committee on Privileges and Elections.

At the opening of his comments the hon. member asserted that when the Standing Committee on Agriculture was called at 8 p.m. "there was a firm intention by the government members on that committee to sit until the committee was exhausted." It might be that the hon. gentleman in the main rests his submission on that assertion, but I suggest to him that prolonged sittings of the House and of committees are not unknown in our parliamentary history.

It seems to me that the length of the sitting is a matter for determination by a majority of the members then present when we are dealing with a committee meeting. The situation is, of course, different in the House where the Standing Orders provide for specific hours of sitting and these cannot be extended or changed except under the Standing Orders or by unanimous consent. The hon. member recognizes that a meeting of a committee may be terminated at any time by the adoption of a motion to adjourn.

The hon. member then touched upon the responsibility of the Chair in relation to the hours of attendance of the respective officers and clerks of the House, and I may say that it is a responsibility of which the Chair is very conscious. It must be said, however, that prolonged hours are an ever-present and a built-in condition of service in the House. As hon. members know, the hours of the House may be, and are, altered at a moment's notice under the provisions of Standing Order 6(5)(a). A different procedure is used for such a purpose in a standing committee, but the principle remains the same.

• (11:10 a.m.)

The hon. gentleman also stated that, prior to eight o'clock the clerks employed in the Standing Committee on Agriculture were all notified that there was to be an all-night sitting and, having been duly notified, arranged among themselves to work in two shifts, some to work up to midnight and others to carry on until the committee adjourned. That may be so, but again I suggest that notwithstanding any notification which may have been given to the committee staff, a majority of the members present in a committee at any given time are in a position to decide when the committee shall terminate its sittings.

The hon. member then suggested that a committee should be regularly adjourned from day to day and went on to say that the committee has not been regularly adjourned for a long time. It seems to me that, because of the informality in most cases in committees, the pure form of adjournment may not be observed in every case, but again I suggest that no committee meeting can be adjourned unless a consensus, or the general consent of a majority of the members then present, is obtained.

There remains the reference of the hon. member to proper decorum in the committee and, in specific terms, the hon. member's observation that food was sent in to the committee room while the proceedings were under way. I am in full agreement with the hon. member that standards of decorum should be observed in committees just as they are in the House. On the other hand, it should be pointed out that committee proceedings are by their very nature conducted in a much less formal fashion. For example, smoking is allowed in committees. I suspect that on hot days there have been occasions when hon. members have removed their coats, and I suspect also that coffee and other liquids are consumed from time to time. I feel it is essential that there should be standards, but again I observe that proceedings in committees are more relaxed in nature and that the same requirements which we feel must be observed in the chamber are not so strictly enforced when hon. members sit as committees of the House of Commons. Having said all this, I would add that the observations of the hon. member are generally applicable to proceedings in all committees.

The one grievance which stands out is that relating to the length of the sitting in question. I have to reiterate in this regard that, although it may be most unusual, this in itself does not affect the regularity of the proceedings of the committee. The committee was authorized by the Standing Orders to make a decision to continue in session; this decision could be made and obviously was made by a majority of members of the committee.

I might add that I have often expressed serious reservations about the regularity or advisability of having the proceedings of one committee investigated by another standing committee of the House, be it the Committee on Privileges and Elections. I have serious doubts as to the effectiveness of such a procedure.

Tribute to Members

I want to assure the House that I have not treated this matter lightly and that I have given serious consideration to all aspects of the hon. member's submissions. My conclusion is that if the complaints raised by the hon. member are to be remedied, this should be effected by amendments to our Standing Orders as they relate to committee proceedings rather than by a reference to the Committee on Privileges and Elections. For these reasons, I do not think that I am at liberty to put the hon. member's motion to the House.

* * *

HOUSE OF COMMONS

THIRTY-FIRST ANNIVERSARY OF CONTINUOUS SERVICE BY MEMBERS FOR PRINCE ALBERT AND OTTAWA CENTRE

Hon. J. A. MacLean (Malpeque): Mr. Speaker, perhaps I might have the indulgence of the House for a moment to call attention to a happier occasion than the one to which Your Honour has just referred. I believe today is the thirty-first anniversary of the entry into the House of two of our most distinguished members, my right hon. friend from Prince Albert and the hon. member for Ottawa Centre.

Some hon. Members: Hear, hear!

Mr. MacLean: The contribution of these hon. members to the public life of Canada is remarkable not only for its quality, one having served as prime minister and the other as minister in numerous portfolios, but also for the length of their survival in the very perilous occupation of Member of Parliament. They have longer continuous service than any other member of the House at the present time, and I thought it would be inappropriate for this anniversary to pass unmarked.

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

FINANCE, TRADE AND ECONOMIC AFFAIRS

Thirteenth report of Standing Committee on Finance, Trade and Economic Affairs, in the two official languages—Mr. Clermont.

HEALTH, WELFARE AND SOCIAL AFFAIRS

Fifth report of Standing Committee on Health, Welfare and Social Affairs.—Mr. LeBlanc (Rimouski) (on behalf of chairman).

[*English*]

NATIONAL RESOURCES AND PUBLIC WORKS

Third report of Standing Committee on National Resources and Public Works—Mr. Hymmen.

[Mr. Speaker.]

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

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TRANSPORT

BORDEN-TORMENTINE FERRY SERVICE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, pursuant to Standing Order 43 I seek leave to move a motion concerning the provision of transportation facilities between Prince Edward Island and New Brunswick, a matter in the jurisdiction and responsibility of the government and Parliament of Canada. Seconded by the hon. member for Malpeque (Mr. MacLean), I move:

That this House refer to the Standing Committee on Transport and Communications the question of the removal of the newest and largest icebreaking ferry from the Borden-Tormentine service and the consequent reduction of the service to one icebreaker.

That the committee be asked also to study the general question of transportation between Prince Edward Island and the mainland and the degree to which the Dominion of Canada is carrying out its confederation commitment to Prince Edward Island to provide continuous and efficient communication with the rest of the dominion.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Hillsborough. This motion requires the unanimous consent of the House.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent and I regret to advise the hon. member that the motion, under the terms of Standing Order 43, cannot be put at this time.

ORAL QUESTION PERIOD

OIL

TRANS-ALASKA PIPELINE—CONSULTATION WITH UNITED STATES GOVERNMENT

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I had a question for the Secretary of State for External Affairs but I shall direct it to the Minister of Energy, Mines and Resources. In view of the fact that the oil route is still a great national issue, has the Canadian government suggested a specific date for talks with the United States government and has the United States government refused to meet for formal talks on the TAPS route?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): To the best of my knowledge we have sug-

gested no specific date, nor has any refusal been made, Mr. Speaker. I have indicated, as has the Minister of Indian Affairs and Northern Development, that there is still much to be done on the Canadian side by way of research into the ecological and sociological as well as the economic problems before we can have a clear, final and definitive Canadian position.

Mr. Comeau: In view of the time factor and the fact that the Canadian people as a whole, including the member for Esquimalt-Saanich, have expressed their position, will the government make its formal position known very shortly?

Mr. Greene: Mr. Speaker, the government made its first position known last August when we issued guidelines based on the scientific and technological information available after some two years of work. We will refine and define more explicitly the government's position as the science, technology and research become available.

PROPOSED MACKENZIE VALLEY PIPELINE—POSITION FOLLOWING DISCUSSIONS WITH COMPANY PRESIDENTS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. Following the meeting with the oil company executives last Wednesday pertaining to this matter, can the minister indicate whether or not there is still room for a good deal of optimism that the pipeline will come down the Mackenzie Valley route?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Just a few moments ago I think most of us were under the impression that the first line would definitely be the Valdez line and thence by tanker down the coast. At the present time, and this was confirmed by our meeting the other day, because of the delay in respect of that line I think there is certainly a much better chance that the first choice for a line would be the Mackenzie Valley line if this should be acceptable to Canada, and certainly every chance that a gas line, if this should be acceptable to Canada, will in the not too distant future be built to transport gas.

TRANS-ALASKA PIPELINE SYSTEM—POSSIBLE CANADIAN RESTRICTIONS ON TANKER TRANSPORT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I understood from the Minister's statement the other day that in the discussions he and his colleague the Minister of Indian Affairs and Northern Development had with the representatives of the group of United States companies operating in Alaska the Valdez route now looked much more likely than the route through mid-Canada. Were the representatives of the oil companies made clearly aware of any restrictive measures the Canadian government would impose should they attempt to bring oil by tanker from Valdez to the United States down the coast of British Columbia?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I do not think I can put track odds on the likelihood of one route versus the other. Certainly the companies had very clearly made a decision, which was a very public decision, I think, as evidenced by the fact that pipe is piled up on the Valdez route, to go that way. The delay by reason of United States decision and United States department has certainly made the Mackenzie Valley line worth looking at by them. With regard to indicating what we would do if they should go via Valdez and then by tanker, provided they keep beyond the 12-mile limit in transporting the oil I do not know of anything we can legally do under international law.

Mr. Douglas: Mr. Speaker, in view of the fact that government members turned down our proposal for a 100-mile pollution control zone on the Pacific coast, has the Canadian government any proposals at all that would protect the coastline of British Columbia in the event the United States should decide to ship oil from Valdez down the Pacific coast?

Mr. Greene: I do not think Canada unilaterally can change international law, much as we would like to. I feel sure, in the event there is a decision that the ships will go in this direction, that the Department of Transport and other affected departments undoubtedly would have contingency plans to try to meet the problems in respect of any accident.

Mr. Douglas: Mr. Speaker, may I ask the minister if he drew to the attention of the representatives of the United States oil companies the fact that this Parliament has already unilaterally claimed the power to control ships carrying pollutants in a 100-mile area in the Arctic and if he made it clear that this Parliament could, if it so desired, exercise the same power in respect of the Pacific coast?

Mr. Greene: Mr. Speaker, I think those men were very conscious of the fact of our Arctic decision in which the Prime Minister, when he announced it, very clearly enunciated the principles under international law whereby this is a valid decision. In respect of whether those principles would apply, as my hon. friend suggests, to Pacific transportation, I think there may be some doubt in international law.

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, in view of the fact that the Prime Minister yesterday told us that members of his staff censor the utterings of certain of his ministers, will he in the case of the Minister of Energy, Mines and Resources either change censors or look at what he says himself so we will understand what is going on?

POSSIBLE PIPELINE FROM PUGET SOUND AREA TO CALIFORNIA—DISCUSSION WITH COMPANY PRESIDENTS

Mr. Thomas S. Barnett (Comox-Alberni): I would like to address a supplementary question to the Minister of Energy, Mines and Resources. In the discussions with the representatives of the oil companies and in the consideration of a possible routing of Alaskan oil through British Columbia to the Puget Sound area, was there

any discussion whether, in the event that took place, oil would be transported from there to the California area by pipeline rather than by tanker route from the Puget Sound area to California? I ask this question in light of some of the studies that have been made public by the Department of the Interior of the United States about the ecological dangers.

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I do not think that that specific topic was a subject matter in our discussions.

* * *

[*Translation*]

CONSUMER AFFAIRS

MEASURES TO PROTECT PUBLIC AGAINST HIGH-PRESSURE CREDIT

Mr. André Fortin (Lotbinière): Mr. Speaker, in the absence of the Minister of Consumer and Corporate Affairs, I wish to direct my question to the Prime Minister.

Considering that individual indebtedness is on the increase and that, according to the most recent figures of the Dominion Bureau of Statistics, it totals $11.5 billion, and considering also that insidious and dishonest means are used to bring people to buy on credit, does the Prime Minister or the government intend to take concrete steps, considering the size of the amounts involved, to give greater protection to Canadians who are high-pressured in this way?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am taking note of the question which I shall forward to the minister concerned.

* * *

[*English*]

TRANSPORT

BORDEN-TORMENTINE FERRY SERVICE—RESTORATION OF ICEBREAKING AND RAILWAY TRAFFIC CAPACITY

Hon. J. A. MacLean (Malpeque): I should like to direct a question to the Parliamentary Secretary to the Minister of Transport in the absence of the minister. What action is the government taking to restore the icebreaking and rail carrying capacity of the Borden-Tormentine ferry service?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): I should like to take notice of this question and bring back an answer early next week.

Mr. MacLean: I should also like to know what reply the Minister of Transport has given to the suggestion of the Prince Edward Island government that the *John Hamilton Gray,* which was built to replace the original ferry, the *Prince Edward Island,* should be retained on the Borden-Tormentine service and the other older ferry, the *Abegweit,* lent to the Newfoundland service. Perhaps the minister could also table the letter which he sent to the government of that province and which I understand was tabled in the legislature there.

Mr. Duquet: I will refer this question to the minister, but I think I can say that the negotiations with regard to the ferry service are proceeding very well and there should be very good news within the next two days.

* * *

HOUSE OF COMMONS

SUGGESTED AMENDMENT OF RULES AFFECTING OPERATION OF COMMITTEES

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the President of the Privy Council. I shall wait until the conversation between him and the Prime Minister is over. I did not want to intrude on that conversation.

Having regard to the decision rendered today by His Honour the Speaker, with which I am not in disagreement I wish to ask the House leader whether, under the circumstances disclosed by the hon. member for Crowfoot, he does not agree that unless changes are made in the rules respecting committees a squalid caricature of Parliament will be the result and the disrepute of Parliament will be in further evidence across the country? Would he be willing to discuss with the party house leaders the convening of the rules committee in order to meet such situations as disclosed by the hon. member for Crowfoot, which can only have the effect, if it remains unchanged, of making members of the opposition serfs of the government?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I will make a deal with the right hon. gentleman. If he will attempt to change the attitude of the hon. member for Crowfoot I will attempt to change the Standing Orders.

Some hon. Members: Hear, hear!

Some hon. Members: Shame!

Mr. Diefenbaker: Mr. Speaker, as the hon. member for Crowfoot is absent, that statement was scarcely what I would have expected from a good parliamentarian.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, I wish to ask a supplementary question. May I say that I do not think the comment by the government House leader should be applied to any member of that committee. Will immediate consideration be given by the government House leader and other house leaders to doing something about the situation that has developed in the committee whereby the majority makes the decisions as they go along, which I think is not parliamentary—

Some hon. Members: Oh, oh!

Mr. Peters: —and not advantageous to the work of the committee.

Some hon. Members: Oh, oh!

Mr. Peters: Possession of the ball seems to be the criterion, but it seems to me that all members on that committee are equal and that the rules should not be changed in the middle of its work. I would hope that consideration will be given to this question by the house leaders very shortly.

Mr. MacEachen: Mr. Speaker, I have been concerned about the situation that has prevailed in that committee for some time. The bill, and it is an important one, has been before the committee and the House for more than a year.

Some hon. Members: Oh, oh!

Mr. MacEachen: I believe that more than 140 meetings of the standing committee have been held, about 300 witnesses have been heard, and more than 3,000 printed pages of evidence have been taken. If we are interested in enhancing the reputation of Parliament it seems to me we ought to do something about a situation that has been caused by the attitude of one or two members of the opposition.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Peters: May I ask the government House leader if he considers committee by exhaustion to be a solution to this problem?

Mr. Speaker: Order, please. The hon. member for Battle River has a supplementary and after that I suggest that we move on to another subject. It seems to me we are spending most of our question period on two or three subjects, and we will soon be running short of time.

Mr. Cliff Downey (Battle River): Mr. Speaker, I would like to ask the government House leader if it has not come to his mind, and to the minds of other members of the government, that possibly the legislation which the agricultural committee is studying is the reason for all the trouble, that basically it is at fault and should be withdrawn?

Mr. MacEachen: Mr. Speaker, if I may make one comment, and I shall attempt to be brief, I do not believe that exhaustion or the process of exhaustion is an ideal solution to the deliberations of the House or of a committee, but I believe that hon. members will agree that when one extreme position is taken in the House it inevitably leads to another, and that is the situation that we have in the committee. I would say that after a year of intensive debate and discussion the committee and the House should be allowed to take a decision by a majority even though a minority is opposed to the bill. That is the principle upon which this Parliament is based, on the opportunity of the majority to make a decision.

Some hon. Members: Hear, hear!

Inquiries of the Ministry

LABOUR RELATIONS

LAKEHEAD GRAIN HANDLERS DISPUTE—INQUIRY AS TO SETTLEMENT

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Acting Minister of Labour or his parliamentary secretary. In view of the lengthy and worrisome negotiations between the management and the workers in the grain handlers union at the Lakehead, can any report be made on that dispute, has a settlement been reached and, if so, what are the terms of the settlement?

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, this is not the minister's roster day. However, I would be pleased to suggest that the question be redirected to the government House leader who may wish to answer on behalf of the minister today.

Mr. Benjamin: Mr. Speaker, may I ask the government House leader if he can report whether any settlement has been reached in the negotiations between management and the employees who are members of the grain handlers union at the Lakehead and whether the report of the conciliation board has been made public and agreed to by both sides?

Mr. Speaker: Order, please. I am wondering about the direction of the question. As hon. members know, a question can be directed to a minister only to the extent that he has responsibility for the administration of a department. However, it may be that the President of the Privy Council is the acting minister today and in that capacity might be allowed to reply to the hon. member's question.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I cannot locate the note that I brought into the House but I can tell the hon. member that a settlement has been reached in this important dispute involving about 1,600 handlers at the Lakehead. Settlement has been reached at the conciliation stage, and I believe the House would want me to congratulate all those involved on reaching a sollution at that stage of the dispute.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I direct a supplementary question to the government House leader in that the original question was relayed to him because the Minister of Labour was not on the roster today. It is obvious from the most recent release concerning the roster system that the President of the Privy Council, who is the government House leader, is also not supposed to be here today. Is this the first break in the roster system that has been introduced and which is destroying Parliament?

VANCOUVER TRAINMEN'S WORK SLOWDOWN—ACTION TO SETTLE DISPUTE AND ASSURE GRAIN MOVEMENT

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I direct a question to the government House leader or the Prime Minister. In view of the urgent necessity of moving grain to export positions, can we have an early

report from the Minister of Labour on the serious wildcat strikes and slowdowns that have been developing on both CP and CN rail lines? Is the Minister of Labour taking immediate action to intervene, to mediate and to achieve a contract settlement between the labour unions and the railroads?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I will be glad to direct the question and the request for a report to the attention of the Minister of Labour so that he may give the necessary information. Based on the previous performance of the Minister of Labour I can assure the hon. member that every possible step will be taken in this situation.

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AGRICULTURE

FARM PRODUCTS MARKETING BILL—REPRESENTATIONS FROM WESTERN CANADA HOG PRODUCERS REQUESTING EXCLUSION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to direct a question to the right hon. Prime Minister. Has he received representations from the various hog producers associations in western Canada requesting exclusion from the provisions of Bill C-176, and can he indicate the nature of his reply?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have no notice that I have received such correspondence but I will look into the matter.

* * *

TRANSPORT

SPECIAL FREIGHT RATE ASSISTANCE TO MARITIMES SHIPPERS TO REPLACE STATUTORY SUBSIDIES

Mr. Charles H. Thomas (Moncton): Mr. Speaker, my question is for the Minister of Transport but in his absence possibly I may direct it to his parliamentary secretary. As there has been growing concern among Atlantic shippers, most recently expressed by the Maritime Co-Op Services in a letter to the minister, that subsidies under the Maritime Freight Rates Act are being phased out without any announcement of other special assistance, as promised by the government, will the parliamentary secretary advise what action is being taken on the recommendation of the federal-provincial committee that the government immediately draft regulations to provide such special assistance?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, officers of the department are looking into that matter very closely and preparing a prompt answer for the minister. That is all I can say at the moment.

Mr. Thomas (Moncton): Would the parliamentary secretary indicate when we may expect special legislation in the House?

[Mr. Gleave.]

Mr. Duquet: Mr. Speaker, probably it will be soon, but I would rather the minister answered that question.

Mr. Thomas (Moncton): The report is two years old, Mr. Speaker.

* * *

OIL

STUDIES OF POSSIBLE EFFECTS OF PIPELINES ON NORTHERN ECOLOGY

Mr. Randolph Harding (Kootenay West): Mr. Speaker, my question is for the Minister of Energy, Mines and Resources. Are any ecological studies under way in the minister's department or any other department to determine the possible effects of oil pipelines on the ecology of the north?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, as I think I indicated in the debate on this subject matter the other day, comprehensive surveys have been under way for more than two years, not only by the department, but by the National Energy Board, universities and the private sector, which cover all aspects of research required. I think the hon. member for Athabasca asked me specifically about the ecology, and I do not think I was able to answer him at that time. But certainly ecological studies are among those being very actively pursued.

Mr. Harding: Where are these ecological projects being carried out and who is conducting them?

Mr. Greene: Mr. Speaker, this is a very lengthy question to answer on orders of the day. They are being carried out in many areas and by many entities of both the private and public sectors. I can try to give the hon. member a more comprehensive reply, possibly in a debate or on estimates when they are considered.

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AIR TRANSPORT

OVERCHARGING OF CANADIANS ON INTERNATIONAL AIR FARES—REQUEST FOR STATEMENT

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my question is for either the Minister of Transport or the Minister of Consumer and Corporate Affairs, both of whom are on the roster to be present today and both of whom are absent. Perhaps I can get around the dilemma by addressing the question to the Acting Minister of Transport or the parliamentary secretary. In view of the statement of the Minister of Consumer and Corporate Affairs passing the responsibility for protecting the interests of Canadian consumers who were overcharged on international air fares to the Minister of Transport, will the Minister of Transport make a definite statement on this matter as soon as possible?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I should like to say that whatever has been said on this matter is not quite right.

The United States government shall refund to the airlines without interest all royalties paid under the agreements if the United States terminates the program to develop the supersonic aircraft prior to United States state-type certifications.

Mr. Dinsdale: Mr. Speaker, that is not quite an answer to the question I asked.

An hon. Member: It is the wrong answer.

Mr. Dinsdale: My question is: Since the Minister of Consumer and Corporate Affairs has passed the responsibility of protecting Canadian consumers against being overcharged on international air fares to the Minister of Transport, will the Minister of Transport make a definite statement on this matter as soon as possible?

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[*Translation*]

FINANCE

REVISION OF POLICY RESPECTING FEDERAL-PROVINCIAL AGREEMENTS

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I wanted to put a question to the Minister of Finance, but in his absence I shall address it to the Prime Minister, who is responsible for the application of government policy.

Since the budget presented yesterday in the National Assembly of Quebec forecast a deficit of $466 million, and since the Quebec Minister of Finance has laid the blame for it on the federal government, because of its tax sharing policy, could the Prime Minister say whether the government will review tax sharing agreements when the next budget is brought down?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know whether the words quoted by the hon. member are accurate, but, nevertheless, he should know that the tax sharing system now prevailing is due to expire next year and that, in the course of this year, there will be discussions between the federal and provincial governments to see under what form, if any, the sharing will be renewed.

Mr. Valade: Mr. Speaker, I should like to put a supplementary question. In order to elucidate the Prime Minister's answer, does the federal government intend to review during the current fiscal year the tax sharing arrangements between the federal and provincial governments?

Mr. Trudeau: Mr. Speaker, the hon. member should know that an increasing number of agreements with the provinces have been existing under one form or another since 1942 and it is normal to review the formula every five years.

It is for that purpose that discussions will effectively be held with all the provinces during the year, including Quebec.

Inquiries of the Ministry

[*English*]

FISHERIES

ATLANTIC SALMON—NEGOTIATIONS WITH DENMARK ON CONSERVATION OF SPECIES

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. In view of the new regulations he has promulgated regarding the catching of Atlantic salmon, have any new negotiations taken place or are any new initiatives contemplated with respect to the overexploitation of this species by Denmark, which in fact poses the most serious threat to the survival of the species?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I expect to have discussions with the Danish authorities in late May.

ATLANTIC SALMON—INCREASE IN NUMBER OF RIVER GUARDIANS AND LENGTH OF SERVICE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I direct a question to the Minister of Fisheries and Forestry. Would the minister advise if agreement has been reached by the government to provide funds for increased numbers of river guardians and to lengthen the time of service of these guardians, as proposed by conservation officials, in order to better protect our rivers?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, more money has been made available. One of our problems, however, is that these gentlemen enjoy a higher rate of pay and shorter work week and we are not getting as many man-hours out of the same expenditure of dollars as before. We are doing our best to expand the service, but it is costing a great deal more money.

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INDUSTRY

AUTOMOBILES—REASONS FOR HIGHER CANADIAN PRICES

Mr. A. D. Hales (Wellington): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. It is some time since I directed a question to him concerning the United States-Canada car pact. Since parity in wages has been brought about between Canada and the United States in this industry and since the Canadian dollar is practically at a par with the U.S. dollar, can he give the House any reason why Canadian citizens should not be able to buy made in Canada cars for the same price that prevails in the United States?

Mr. Speaker: Order, please. I have doubts about the form of the question. It seems to me that the hon. member is inviting the minister to make a rather general statement. If the minister can find it within himself to give a brief and concise answer to the hon. member's question, perhaps he should be allowed to do so.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, if I understand the question well, I think I can. This subject is one that has been

debated from the beginning, from 1965, and involves what is referred to as the manufacturer's privilege in importing and exporting. To determine what would happen if this privilege were to disappear, I suggest that my hon. friend check with the manufacturers and the labour unions concerned before coming to a conclusion himself on this matter; mine is that the privilege should not be eliminated at this time.

PULP—REPORTED FEAR ON PART OF COMPANY OFFICERS ABOUT GOING TO UNITED STATES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce. My question is in connection with a report that in the past 18 months Canadian businessmen have been afraid to go to the United States for fear of being brought before a United States grand jury. These people are in the Canadian pulp industry and are acting in accordance with Canadian laws regarding exports. Has the minister any information on this subject? If he has information showing that this is actually occurring in the United States, what action does he intend to take?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I am sorry that I do not have any information, but I will look into the matter and report either privately or in the House next week.

CATALINA EXPLORATION COMPANY—ACTION RESPECTING OPERATION OF FOREIGN VESSELS ENGAGED IN SEISMIC WORK WITHIN THREE-MILE LIMIT

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I have a question for the Minister of National Revenue. It has to do with the Catalina Exploration Company. Yesterday, as the minister and other members of cabinet are perhaps aware, that company met its creditors as a direct result of the government's failure to enforce certain laws and measures on our statute books. Can the minister indicate what steps he has taken with respect to the incursion into Canadian waters inside the three-mile limit by foreign registered vessels for the purpose of undertaking seismic work while Canadian vessels equipped and ready to do this type of work remain idle? What steps is the government taking with respect to extracting penalties or protecting Canadian enterprise?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, I do not accept the premise of the hon. member's question, but I can inform him that the present law provides that ships coming temporarily within the three-mile limit must pay full duty and tax due, unless it is established on the advice of the Canadian Transport Commission that for the purpose in question ships were not available, in which case there is a possibility of a partial remission of the duty and taxes involved. I have instructed officials of the department to ensure that the provisions of the law in this regard are being followed in so far as the law comes under the jurisdiction of the customs and excise division.

[Mr. Pepin.]

Mr. Forrestall: Am I to understand from the minister's reply that he does not intend to take any action with regard to the two vessels which did work within our three-mile limit while a Canadian owned and crewed vessel lay at the dockside at Halifax, which caused bankruptcy and the loss of 200 or 300 jobs?

Mr. Gray: I am having the two cases referred to by the hon. member looked into. Such action will be taken that seems appropriate after a report has been made to me on this matter.

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FINANCE

ASSURANCE RESPECTING FORTHCOMING TAX CHANGES TO ASSIST OIL PRODUCERS IN AVOIDING EXPLORATION STAFF LAY-OFFS

Mr. Cliff Downey (Battle River): In the absence of the Minister of Finance I will direct my question to his parliamentary secretary. In view of the expression of opinion within the last few days by officials of a western Canada oil producer that they may be laying off up to 40 per cent of the staff of their western Canada explorations division, can the minister provide some assurance that the forthcoming budgetary and tax changes will not make this step a matter of immediate necessity for these resource companies?

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): The hon. member might like to direct his question on a day when the Department of Finance is answering questions in the House.

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OIL

REPORTED DISCOVERY BY PANARCTIC ON KING CHRISTIAN ISLAND

Mr. Don Mazankowski (Vegreville): I wish to direct a related question to the Minister of Energy, Mines and Resources. In view of the rumour that is circulating to the effect that the Panarctic Oil Company has discovered oil on King Christian Island, is the minister in a position to confirm or deny this rumour?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): No, I am not, Mr. Speaker.

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THE CANADIAN ECONOMY

INQUIRY AS TO REPORT ON FOREIGN OWNERSHIP

Mr. John Gilbert (Broadview): I wish to direct my question to the Minister of National Revenue. When is the minister going to table the long-awaited report on foreign ownership? If he is not going to do so immediately, what is the cause for the delay?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, I have already indicated to the House that the

work in question in this important area of policy was being done within the government for use of the cabinet. I think what this House will be looking forward to is the making of a statement by the government on its decisions in this regard. However, I can assure the House that this matter continues to be one of high priority for the government.

Mr. Gilbert: Are we going to be totally Americanized before the report is tabled?

Mr. Speaker: Order, please.

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NATIONAL DEFENCE

HONORARY LIFE MEMBERSHIPS IN RCAF MESSES—RECOGNITION BY CANADIAN ARMED FORCES MESSES

Hon. J. A. MacLean (Malpeque): In the absence of the Minister of National Defence, perhaps the acting minister can at least take my question as notice. Is it a fact, as alleged, that honorary life membership in RCAF messes, which was granted to RCAF officers on their retirement from the service, are no longer honoured by Canadian Armed Forces messes, although they are honoured by messes of the Royal Air Force, United States Air Force and Royal Australian Air Force? Will the minister take this question as notice, look into this matter and assure the House that these honorary memberships which were given to retiring officers as a commitment by the chief of the air staff will not be downgraded in any way?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I will be glad to bring the representations of the hon. member to the attention of the Minister of National Defence.

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EXTERNAL AFFAIRS

INQUIRY AS TO INVITATION TO PRESIDENT TITO OF YUGOSLAVIA TO VISIT CANADA

Mr. Stanley Haidasz (Parkdale): I would like to ask the Prime Minister whether the federal government has invited the president of Yugoslavia to come to Canada on an official visit later this year and, if so, whether any reply has been received?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, I know of no such invitation having been issued. I believe the government has no knowledge of President Tito's intention of travelling to North America. Until such intention is known, there will be no question of an invitation.

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ATOMIC ENERGY

POSSIBLE URANIUM ENRICHMENT PLANT—REPRESENTATIONS FROM COMPANIES AND PROVINCES

Mr. Rod Thomson (Battleford-Kindersley): I wish to direct my question to the Minister of Energy, Mines and Resources. In view of the possible building of an uranium enrichment plant in Canada, is the minister inviting representations from all companies or provinces which have the potential to build such a plant?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I think such an invitation would be premature, although we have heard from more than one province, inasmuch as the technology is not yet available to Canada for uranium enrichment.

Mr. Thomson: In view of the problems we have had before in building heavy water or atomic energy plants, will the minister assure the House that any such plant will have the supervision of Atomic Energy of Canada Limited?

Mr. Greene: I am not able to do that since there is no clear policy which in turn is because of the fact there is no immediate potential for enrichment. I can assure the hon. member that the adequate government agency, be it AECL or Eldorado Nuclear Limited, would have a very important role of surveillance.

* * *

OIL

RESEARCH ON PIPELINE CONSTRUCTION IN HIGH ARCTIC

Mr. Paul Yewchuk (Athabasca): My question is directed to the Minister of Energy, Mines and Resources. In view of the intensive exploratory activity in the high Arctic islands and the suggestion of the hon. member for Vegreville, can the minister indicate whether specific studies or research are being done with regard to pipeline construction from the high Arctic in view of the fact there are special circumstances there, such as ice floes, which do not exist with regard to the Mackenzie valley pipeline?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I will be glad to take the question as notice. I have been so preoccupied with the Mackenzie valley route that I am not current with respect to research on pipelines from the high Arctic. If the hon. member will permit, I will take the question as notice.

Mr. Speaker: Orders of the day.

• (12 noon)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Wednesday, February 17, consideration in committee of Bill C-207, respecting the

organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: When the committee rose on Wednesday, February 17, clause 2 of the bill with the amendment of the hon. member for St. John's East was under consideration. Shall the amendment carry?

Mr. MacLean: I rise on a point of order, Mr. Chairman. I believe there is agreement that Part I of the bill be stood at this point and that we go on to consider Part II.

Mr. Drury: Mr. Chairman, I think there has been agreement that Part I will be stood. It is hoped that we will proceed to Part II, Energy, Mines, Resources and Technical Surveys. These are consequential amendments. Then, subsequently, we would pass over part III, which has been approved, pass over, or let stand, part IV, let stand part V, deal with part VI and following that, with part VII, Public Service Superannuation. It is thought that in this way we shall be able to make more rapid progress than we have done up to now.

Mr. MacLean: That is correct, Mr. Chairman.

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Chairman, the statement made by the President of the Treasury Board represents an agreement which has been reached. I think you will find the committee ready to proceed with clause eight.

The Chairman: I shall not repeat the agreement. It has been stated for the record by the President of the Treasury Board. Is this course agreeable?

Some hon. Members: Agreed.

The Chairman: Then, the committee will proceed to the consideration of clause eight.

On clause 8—*Energy, Mines and Resources*

Mr. Yewchuk: In dealing with clause 8, Mr. Chairman, I wish to concentrate on development in northern Canada, particularly as it relates to energy in the form of oil and gas and the transportation of this form of energy to southern parts of Canada, keeping in mind the need to proceed in such a way as to ensure that the environment does not suffer irreparable damage.

Though we are aware that some research is being done in Arctic regions into the effects of pipelines, hot and cold, on the ecology and on the permafrost, we also know that a good deal of this research is still only in the planning stages or has not progressed to the point at which convincing reports can be drawn up and presented to the government. Much attention has been focussed on the transportation of oil in particular from the northern slopes of Alaska in the past year or more, but ecological research has not kept pace with the desire to transport oil to the south. Since the discovery of oil in this region of Alaska, exploratory activity throughout the Arctic and the Arctic islands has been intensified.

Particularly since the Americans announced their intention to build a trans-Alaska pipeline system from northern Alaska to the port of Valdez, the government has begun to make a fevered pitch for the construction of a pipeline down the Mackenzie Valley as a superior alternative. I am concerned about this because it is possible that as a result of its desire to obtain commitments to use the Mackenzie Valley route, the Canadian government may be inclined to proceed more quickly than its knowledge of environmental problems should permit it to do. A few days ago, in the course of a debate on this subject, the Minister of Indian Affairs and Northern Development as well as the Minister of Energy, Mines and Resources indicated that much research was being done in this field, and both implied we were almost ready to begin pipeline construction down the Mackenzie Valley. I wish to take issue with some of the remarks these ministers made since I believe there was a good deal of exaggeration as to the amount of research which is actually in progress and the amount of information which has been accumulated with respect to effects of pipelines on the ecology.

The Minister of Indian Affairs and Northern Development suggested that the Arctic land use research program had resulted in the effects of pipelines upon the permafrost, for example, being actively studied. I am informed, however, that this particular study had in fact been concerned primarily with the effects of exploratory seismic and drilling work and that in fact it had very little to do with the effects of pipelines on permafrost. I hope that minister will clarify this situation for the benefit of hon. members. He also made reference to the experimental pipeline at Inuvik, where the oil industry is working in collaboration with the government to discover the effect of a hot oil pipeline on the permafrost. I think this is a very worthwhile study, but it would appear from an answer given a couple of days ago by the Minister of Energy, Mines and Resources that no ecologist was attached to this study group. If this is not the case, I should like to know why the minister declined to give a more positive answer. I am concerned lest in the rush to develop these energy resources ecological studies should be overlooked, in which case Canada could wind up with another Peace—Athabasca Delta fiasco.

The Minister of Energy, Mines and Resources gave the House the impression that a committee on environmental matters, chaired by an official of the Department of Indian Affairs and Northern Development, had been sufficiently successful in its research program to be in a position to draft guidelines pertaining to pipeline construction and operation in the north in relation to the ecology. I wonder whether the minister could make these findings available to hon. members so that we could be assured that the studies have, in fact, been as extensive as might appear. I take it the minister was referring to the Arctic land use studies and to the Arctic land use regulations which are nearly ready to be published, according to the hon. gentleman. If you would recall, Mr. Chairman, a few months ago the Minister of Energy, Mines and Resources delivered his famous nationalism

speech in Denver. He thought, I suppose, he would bring the Americans to their knees with regard to further investments in this country. It is interesting to recall, though, that the Minister of Indian Affairs and Northern Development made a follow-up trip to Texas, this time, cap-in-hand, to ask: Please come and build our pipeline—Mr. Greene was only joking; don't take it too seriously.

Today, as a result of the division created by the two ministers, I read in the press a headline over a news story from a usually reliable source, The Canadian Press, "Canadian Hopes Dimmed for Northern Pipeline". I was surprised at the minister's answer earlier today. He was asked during the question period whether there was reason to believe there was still a good deal of optimism that the pipeline would come down the Mackenzie Valley route. His answer was directly opposite to what is reported in the press under the headline I have just quoted. The first couple of paragraphs in the Canadian Press report read as follows:

> A multi-billion-dollar pipeline to carry Alaska oil to market through Canada has been all but ruled out by time, costs and the choice of companies that own the oil.
>
> The Canadian line has an outside chance, but only if opposition in the United States manages to kill the first-choice project of a delivery system by trans-Alaska pipeline and ocean tanker.

I hope the results of this Wednesday's meeting with the oil executives, which has been reported in the press, will make the ministers involved a little better aware of the fact that ministerial posts are supposed to be filled by responsible people who give a great deal of thought to what they say before they say it. I make this comment because it appears to me the ministers have been putting out contradictory statements and thus created a good deal of uncertainty among people from foreign countries who are investing in Canada.

Another important matter in this connection is the effect of recent developments in the north on the people who live there. I have always taken the position that such developments should be carried out keeping in mind their effect on the local residents as a consideration of the utmost importance. In reply to questions from this side of the House, on several occasions in the recent past we have heard reassuring comments that adequate consultation is being carried on.

• (12:10 p.m.)

Communications with private individuals living in the area do not convince me that we can feel as reassured as the minister would like us to be. In the debate on March 12, the Minister for Indian Affairs and Northern Development indicated that research officers of the Wildlife and Fisheries Services are studying the effect of northern development on fish and wildlife. On checking into this it appears to me that only a survey, a sort of inventory, has been carried out. Apparently research into the effects of northern development on fish and wildlife is only in the planning stages. I do not question the minister's sincerity, but I wonder if he is really informed on what is going on up there. I would appreciate it if he would clarify his statement.

With respect to the effects on the lives of people who live in the area, we have been given reassurances that adequate consultations have been or will be held and that developments will not be detrimental to the native population. I have had a communication from a citizen who has visited many of the settlements along the Mackenzie Valley within the past three of four months and he indicates that virtually no consultations have been held with the natives so far. The letter reads:

> "I read with interest on page 3,940 of *Hansard* of March 4, 1971 that you asked about consultations with native people re the pipeline in the Mackenzie Valley. As far as I know none of the local people in the Mackenzie Valley have been adequately consulted on any aspects of the pipeline. I have lived in Fort Franklin, Norman Wells" area and goes on to say that in and prior to December, 1970 "I spent one week in each settlement of Aklavik, Fort Arctic, Red River, Fort Good Hope, Norman Wells, Fort Norman and Fort Franklin."

I do not need to stress the importance of such consultations to the native people, Mr. Chairman. Their livelihood and customary way of life are being threatened and could even be wiped out forever. The Prime Minister stated recently that development of the north should be to the benefit of all Canadians: I do not argue with that in general terms, but I would insist that the maximum benefit should come to the people who spend their entire lives in the north. We should not try to fool these people by providing them with temporary jobs during the boom years of development without due regard being paid to their long term future when the boom is over and they are left only with a huge pipeline running through their hunting and trapping grounds and there are no jobs to compensate for the loss of the traditional way of living.

To get back for a moment to the TAPS tanker system for bringing Alaskan oil to the west coast of the United States from Alaska, when Atlantic Richfield announced its large oil find on Alaska's north slope near Prudhoe Bay, the oil world quickly realized the importance of the discovery. Total reserves have been estimated at between 35 billion and 45 billion barrels. Once sufficiently large reserves had been outlined, it became apparent that transportation to existing markets in the United States could present a major problem. The voyage of the S.S. *Manhattan* was the first attempt at finding an economic means to bring this oil to U.S. mid-western markets; and although it would still be economically cheaper to use this direct means, other factors such as pollution problems, Arctic sovereignty and technical difficulties overruled the immediate use of this method.

Subsequent studies have suggested that a 789-mile pipeline from Prudhoe Bay to the all-weather port of Valdez could still make oil competitive enough for the Pacific west if it were taken from this port by large 250,000 ton tankers to the refinery at Bellingham, Washington. Since the proposal of the TAPS system, various groups and individuals in Canada and the United States have presented serious objections to the pipeline. These objections are mainly on ecological pollution and social grounds. Some of these pollution dangers have recently been considered in a series of meetings on both Washington and Anchorage. The validity of the TAPS system is

not challenged as an economic method of transporting oil. However, some of the reasons for re-evaluation of the TAPS system include a suggestion by a study that two to four tanker collisions could occur in this area within the next ten years. The extent of the damage which could be done by even one collision is such that could turn the entire west coast area into a dead sea.

Ecological harm to the Alaskan countryside caused by melting permafrost is a problem similar to that faced by the Mackenzie Valley route. The frequency of earthquakes in Alaska brings up the possibility of breakages in the pipeline which could result in extensive spills and pollution. Earthquake activity is such that it may prohibit construction of port facilities at Valdez. The alternative, which I have already briefly discussed, is the Mackenzie Valley pipeline which is considered to be both ecologically safer and probably as economic or even more economic than the TAPS system.

Because of the controversy surrounding the Mackenzie route, the government has laid down a few guidelines: the pipeline should stay in a specific corridor; it should be a common carrier; allowance should be made for participation by Canadians in engineering, construction and finance; the northern ecology must be preserved and natives should be employed during construction. I think there should be one other guide-line—provision should be made for Canadians to invest in the pipeline, by way of buying shares.

Finally, Mr. Chairman, a consideration of the TAPS tanker project and the apparent effects of this system suggests that Canada should seriously oppose it on the grounds that severe ecological harm could result on the west coast as a result of the collision of supertankers bringing oil from Valdez through Puget Sound to Washington. A recent meeting with American oil executives suggest that Canada is probably too late with its objections.

We are also aware, given the increasing consumption annually, that the United States will need Prudhoe Bay oil in the foreseeable future. If agreement could be made with the Americans, the Mackenzie Valley pipeline could go ahead but there are several other considerations that must also be taken into account. How useful will this route be as a common carrier, in view of the problems that are likely to be encountered in building additional pipelines from Inuvik to Prudhoe Bay and from the Arctic Islands to Inuvik if oil is found higher up in the Arctic?

To my knowledge no research is being done with regard to the transportation of oil from the high Arctic to the northern tip of the Mackenzie Valley route. There are a host of new problems. Where will the pipeline go, over the ice or on the bottom of the sea? What are the dangers to the pipeline in this area? How great is the pollution threat with this type of pipeline? A proposal to build a pipeline from Prudhoe Bay to Inuvik, a distance of about 600 miles, could very well meet with similar objections from conservationists as has the Valdez line.

That particular piece of pipeline could be a great threat to our ecology as well, since Inuvik is in the same earthquake zone as Valdez.

What information do we have as to how to deal with a ruptured pipeline in that particular area and what is our knowledge of mopping up procedures under Arctic conditions should such a rupture and such pollution occur? It is virtually nil. Other considerations that we must look at from the non-ecological point of view are the possible expansion of existing facilities from Edmonton to Chicago to meet the anticipated increased oil flow through these facilities. If Alaska oil goes to Chicago via the Mackenzie pipeline, what guarantee is there that the oil will not infringe upon existing markets for western Canadian oil in the U.S. midwest?

• (12:20 p.m.)

In conclusion, Mr. Chairman, I would like to reiterate that decisions made now pertaining to the transport of energy from the north will have far reaching effects in the future. Canada must not be panicked into development which is not based on thorough and complete research in the field of Arctic ecology, pollution and pollution prevention. At the same time, I want to say I disagree with the government in its stance concerning who should benefit the most from development in the north. I do not feel Canadians are so greedy as to consider that developments in the north should not be primarily for the benefit of native northerners directly. The greatest benefit to all Canadians in general, however, still remains in the area of prevention of the destruction of the environment of the north.

Mr. Douglas: Mr. Chairman, we are now dealing with Part II of Bill C-207, which deals with Energy, Mines, Resources and Technical Surveys and which adds to the Department of Energy, Mines and Resources additional powers, including, first, energy development from water and, secondly, responsibility for non-renewable resources. It seems to me when we discuss these new powers which are being given to the Minister of Energy, Mines and Resources (Mr. Greene) and his department, it is encumbent on the minister to make a statement to the House concerning what the government's policy is in respect of energy resources. I think we should remember we are dealing with non-renewable resources. We are dealing with such things as uranium, oil, gas and certain ores. Such resources are not unlimited. These are resources which, once they have been dissipated, will no longer be available to the people of Canada. We should like to have a statement from the minister setting forth the government's policy with regard to how these resources will be husbanded, on what basis they will be expended and what provision is being made for their long-term use.

What we should remember is, that in this generation we are merely the trustees of these resources, and that we have the responsibility to see they are not dissipated. I think it is our duty to make sure Canada does not become a mere hinterland supplying energy resources to the more technically advanced nations which need our energy resources but which, if they are allowed to com-

pletely dissipate them, will leave this country a veritable wilderness. The problem we face in this regard, of course, is the whole attitude of the government in respect of making policy statements. The government is always preparing white papers. No one objects to white papers; as a matter of fact there is a good deal to be said for the preparation of policy statements with regard to various departments. But, in the main, these white papers have been so long in preparation that events pass them by. The government does not seem to be aware of the fact that time will not stand still while several years are spent in the preparation of a policy position.

I read in one report that the Department of Energy, Mines and Resources is preparing a white paper and I read in another report that his department is preparing two white papers, one on energy resources and the other on minerals. Possibly the minister could tell us what it is that is actually being prepared. I submit to the minister that we have been waiting now nearly three years for a white paper, and the difficulty about waiting so long is that events occur in respect of which the government has no position and problems arise for which the government has no solution. Consequently, we get a series of ad hoc arrangements and temporary policies which are contradictory, non-productive and in some cases counterproductive. What I am hoping today is that in the course of our discussion of Bill C-207 we will get a statement from the minister concerning the energy policies of this government I shall touch briefly on this because I wish to ask some questions in the hope that later we will receive some answers from the minister.

First of all, I raise the question of what the government policy is in respect of uranium. Last May the government took a decision in respect of Denison Mines in order to prevent that company passing into the hands of a foreign company. When the government did this the Prime Minister (Mr. Trudeau) made clear that the purpose was to prevent Canadian ownership of the uranium industry dropping below the 40 per cent which then obtained. Since that time, however, the regulations issued by the Department of Energy, Mines and Resources excluded companies which were already engaged in exploration work. The result is that a discovery in Saskatchewan by the Gulf Mineral Resources Company, a wholly owned subsidiary of Gulf Oil Corporation of Pittsburgh, will not be covered by the policy laid down in May of 1970. I should like to know if Gulf Mineral Resources, a foreign-owned corporation, is to be allowed to share in the development of the uranium industry, how much this will reduce the percentage of the uranium industry which will be Canadian owned and how many more companies which were engaged in exploration work in May 1970 will be allowed to enter into production. I am wondering whether this means that bit by bit the Canadian control of the uranium industry will continue to decline. We should know that. Then, I should like to know whether the government has any cutoff point or any policy for retrieving control of some of these uranium operations which are in the hands of foreign corporations.

• (12:30 p.m.)

The second matter on which I hope the minister will make some statement is in respect of the production, sale and export of natural gas. Last fall, because members of this party took very strenuous exception to the government's decision to approve the recommendation of the National Energy Board of Canada in respect of the export of 6.3 trillion cubic feet of natural gas to the United States, we had a debate in this House. We were assured at that time that this was surplus to our needs. We were assured by the Trans-Canada Pipe Lines Company, whose officials appeared before the National Energy Board, that there would be no difficulty about meeting the needs of Canadian gas consumers in eastern Canada and for that reason the government should allow the export of 6.3 trillion cubic feet of gas over the next 20 years. Our worst fears are being realized. Just recently the Trans-Canada Pipe Lines Company officials have appeared before the National Energy Board and have said they are not going to be able to meet all the demands of their eastern customers. They have notified some of their eastern customers that they should not take on any additional commitments and that they should not enlarge their areas of operation because they will not be able to meet the increased demand. Mr. V. L. Horty, the president of Trans-Canada Pipe Lines, said at the hearing before the National Energy Board that his company did not anticipate the Canadian market would expand so rapidly. He said that the consumption had gone up by a surprising 122 billion cubic feet to the astronomical figure of 660 billion cubic feet. This increase did not happen over a long period of years. We are talking about a period from last October to this spring, and Trans-Canada Pipe Lines and the government, who were saying last fall that there would be no problem about meeting the demands of the gas customers in eastern Canada, are now faced with the prospect of the curtailment of gas to eastern Canada unless the National Energy Board or the government are prepared to allow Trans-Canada Pipe Lines to be relieved of the 1966 requirement which calls upon them to supply 50 per cent of their gas from Canadian sources. In other words, we have made so large a commitment of gas to the United States that we may not be able to meet the requirements of our own people here in central Canada.

What we need from the minister is a clear statement as to what are the realistic gas needs for Canada. How much gas are we going to require over the next period of years? The National Energy Board in its projections suggests that the per capita consumption of gas in Canada by 1990 will be the same as the per capita consumption of gas in the United States in 1975. Does anyone think that this 15 year time lag is realistic in a country like Canada where, first of all, we have a very cold climate and where, second, we are only beginning to understand the utilization of natural gas and, third, where more and more of the power utilities are turning to natural gas as one of the few non-polluting energy resources?

My conviction, backed up by many of the experts whom I have read, is that the estimates of the National

Energy Board of our gas needs for the next 25 years are not realistic. We want to know, what does the government estimate we will need in terms of natural gas, and what protection will there be in price for domestic users? I know that the government's stock reply is, "well, if we are hard pressed for gas in Canada, we always push out and develop new sources of gas". That is quite possible, particularly with gas being discovered in the Arctic, but I wonder if the public realize what the government is doing. What the government is doing is selling the gas in Canada which is readily accessible and relatively cheap, and as the Canadian market expands we will have to develop the less accessible and consequently much more expensive gas for our own use. Surely, we ought to have a clear-cut policy with respect to the whole question of gas. When I look at the projections made by the National Energy Board, which estimates that about half our gas production is going to the United States and that in 1990 two thirds of our natural gas will be going to the U.S.; that we are now meeting some 3 per cent of the U.S. requirements but by 1990 we will be meeting 15 per cent of the U.S. requirements, I begin to wonder what we are holding in reserve for the use of Canadians of readily accessible and reasonably cheap gas.

I notice a report from Washington which says that the United States will face a possible gas shortage by 1976. I do not blame the Americans if they try to make all the agreements they can to purchase gas in Canada. As a matter of fact, they will be prepared to pay us a better price than we are now getting from our own domestic consumers, and the effect of that will be to push up the price to our domestic consumers because if the gas companies can get a better price in the U.S. than they are now receiving in Canada, they are going to raise the price to domestic consumers.

So what we want to know is, what is the government's policy with respect to natural gas. It is not enough for the minister to say that we are going to sell only that which is surplus to our needs. That is a lovely stock phrase that means nothing. What do we mean by "surplus to our needs", surplus to our needs for today or next year or ten years from now? These supplies of gas will not replenish themselves. They are here once and when they have been utilized, they are gone. To suggest that we can sell anything more than we require ourselves from day to day is to embark upon a policy that will allow two thirds of our natural gas to be siphoned off to be used elsewhere. The result will be that future generations of Canadians will not be able to get the necessary gas and the necessary energy to convert our raw materials into manufactured goods or to produce electric power and provide other services to the Canadian people.

• (12:40 p.m.)

I hope the minister will also make a clear-cut statement during the course of the passage of this clause of the bill with respect to the government's oil policy. What is the government's oil policy? The national oil policy has been completely overtaken by events. The idea of using Canadian crude up to the Ottawa Valley, and allowing the area east of that to be served by off-shore supplies of oil, is becoming increasingly untenable. Venezuela has just increased the price of oil. The oil countries of the Middle East have done the same, and so has Libya and some of the other African countries. Within the last two weeks several oil companies have announced that they expect to raise the price of oil and the price of gasoline because of the increased costs of imported oil.

Another factor has entered the picture. The President of the United States has been questioning the security of oil supplies for eastern Canada. Under the U.S. mandatory oil import program, the U.S. was concerned that in the event of war and submarine havoc on the Atlantic coast, we would have to depend upon the United States to supply the area east of the Ottawa Valley. This was one of the reasons which the President gave in the statement which he made with respect to quotas on Canadian crude oil from western Canada.

It is becoming increasingly apparent that we have to scrap the old national oil policy and think in terms of the feasibility of building a pipe line to Montreal to serve the eastern market. We have not been able to get any of the economic feasibility studies from the minister; studies carried out by the government. I have seen some of the economic feasibility studies done by the—

The Chairman: I regret to interrupt the hon. member, but I must advise him that his time has expired.

Some hon. Members: Continue.

The Chairman: The hon. member may continue if there is unanimous consent. Is there such consent?

Some hon. Members: Agreed.

Mr. Douglas: I thank the committee. This saves me from breaking up what I have to say into two parts. I will try to bring my remarks to a conclusion quickly.

There is now a need for a serious investigation as to the economic feasibility, and the desirability from a national standpoint, of extending an oil pipe line to Montreal. The minister always meets this proposal by first saying that the feasibility studies do not indicate it would be economically desirable. Mr. Chairman, we have not seen those studies. I have seen some of the studies prepared by some of the independent producers, and I would welcome a chance to see some of the government studies and make a comparison. There are those in the oil industry who believe it would be economically feasible, provided such a pipeline were protected against undue dumping. They believe it could meet the normal competition of off-shore oil. That may be arguable, but I would like to see more data than has been given to us to date to determine that a pipeline to Montreal is not feasible.

The minister's chief argument for not doing something about this is to the effect that if it were a feasible proposition the private companies would see that such a pipeline was built. That statement is much more naïve

than the minister really is. I think he is a pretty shrewd cookie and I do not think he swallows that argument himself. Interprovincial Pipe line is owned by Imperial Oil, which in turn is a subsidiary of Standard Oil, and Standard Oil is the company bringing crude up from Venezuela to Montreal. Thus, it is not keen on having one of its subsidiaries bringing western oil into Montreal in competition with Standard Oil brought from Venezuela.

It makes sense that Standard Oil Company would like to have a national oil policy that will keep western crude west of the Ottawa River, and leave it the eastern market for Venezuelan oil. I do not blame it for following that policy, but I blame the government if it is prepared to accept a policy which is advantageous to Standard Oil but is disadvantageous to the welfare and well being of the Canadian people. That is why I want to see this matter discussed further, and to have more information from the minister.

The minister has to give us something more specific about the government's policy with respect to Home Oil. I am not going to deal with that at any length, but when the question of Home Oil being sold to Ashland of Kentucky came up, the government said there was nothing it could do. Then it relented, and said some of the Canadian private companies might want to buy out Home Oil. When that did not materialize, the minister announced that the Canadian government was willing to buy it. Now, the minister tells us that Mr. Brown, president of Home Oil, and the government have not been able to make any deal, and that the company is back in the market place.

This underlines the point I made when I started. The reason the government is not able to grapple with the danger of losing Home Oil to American companies is that the government hasn't any policy. For three years and more, we have been waiting for a policy on foreign onwership and control of the Canadian economy. The longer the government delays formulating a policy the more the problems pile up, and the more we get ad hoc deals that have no meaning and no direction. I hope the minister is going to tell us what the government intends to do about Home Oil, and whether it will be bringing in legislation designed to give the government the necessary power to deal with Home Oil before this company, the last of the large Canadian-owned companies, passes out of the control of Canadians.

I hope the minister will also make a statement regarding the oil pipelines. According to reports from Washington, the President of the United States instructed the State Department in February, 1970, to approach the Canadian government about the possibility of building a pipeline from Alaska to the United States through Canada. The report says that the Canadian government rejected that proposal. Whether that is correct or not, we do know that the oil companies which were active in Alaska then began to advocate what has come to be known as the TAPS program, the Trans-Alaska pipeline system, which would bring oil from Prudhoe Bay to Valdez, and by tanker from Valdez to Cherry Point, Washington, as well as to other points on the American coastline.

The Canadian government became alarmed at this prospect, and very understandably so, because one has only to look at the coastline of British Columbia to see what will happen if oil tankers of 100,000 tons, 200,000 tons—and now they are even talking about 300,000 ton oil tankers—were to come down the west coast of Vancouver Island and through the Straits of Juan de Fuca. The wreckage of one of those tankers would pollute the coastline of British Columbia and would ruin the finest salmon fishing area in the world. It was only at this point that the Canadian government began to make noises through the Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development. It asked the United States government to look at the possibility of a pipeline through the Canadian Arctic and down through Edmonton, to the United States. The Minister of Energy, Mines and Resources in a speech, the report of which I have before me, said that it would be 30 cents a barrel cheaper to take this gas down to Chicago instead of taking it by sea from Valdez.

• (12:50 p.m.)

I think we ought to make two points clear. First, we, in this party, are vigorously opposed to any program that will bring oil tankers down the west coast of Canada. We believe that the results of such a program could be disastrous for the people of British Columbia and for the industries of British Columbia. That is why we introduced an amendment to the Canada Shipping Act, which was rejected by the government, asking that Canada establish a pollution control area up to 100 miles from the west coast, just as we have done in the Arctic. The government has rejected this proposal, although it introduced the concept of a pollution control zone for the Arctic. It has never been able to explain to the House why it makes sense to protect the Arctic and why it does not make sense to protect the Pacific coast.

The second thing which ought to be made clear is this: Although we are anxious to avoid the pollution of the Pacific coast by encouraging the TAPS program, we should not be stampeded into building a hot pipeline over the Canadian Arctic. This should not be done unless all the ecological studies have been completed and the government can assure us, so far as scientific know-how and technology can assure us, that this will not bring disastrous consequences for the Arctic.

If the ecological question is settled, I hope the minister will tell us what the government has in mind about the ownership and control of such a pipeline. Who will own this pipeline? Will it be an American pipeline to take oil from Alaska to the United States? Will there be any Canadian ownership? Will there be a participation by the Canadian government? Who will control the input and the output? Who will control the rates that will be charged for the oil which will be put in the pipeline in the Canadian Arctic and probably taken out in Alberta or some other part of Canada? It is all very well to say that this is a common carrier; but if someone else

sets the rates, and sets them at a high level, it no longer in reality would be a common carrier. Those who decide the rates for input and output are the people who will decide whether, in reality, the pipeline will be a common carrier. Therefore, the information we have asked for is vital information which the House of Commons ought to have before we are asked to make decisions.

The real difficulty for members of Parliament stems from the fact that the government makes these decisions and announces them on motions. We are then given a chance to comment for three minutes or five minutes. Surely, as members of Parliament, we ought to have the opportunity to assess all the facts and to discuss them. After we have discussed them and expressed our views, the government must of course make a decision. That is its responsibility. Surely, however, the government ought not to make that decision until all the information has been made available to hon. members and hon. members have had an opportunity to express their views. That is why I make an urgent appeal to the minister that he give us a full and frank statement as to what the government has in mind. We do not need more platitudes. We do not need more statements to the effect that we are only going to sell such of our resources as are surplus to our needs or, to quote that lovely phrase, that the resources of Canada will be developed for the best interests of the Canadian people. What we need are concrete statements from the minister regarding some of the problems which I have raised here today. I hope the minister will make these statements, and I hope that we will have the opportunity to question the minister after he has made them.

Mr. Dinsdale: Mr. Chairman, may I call it one o'clock?

Some hon. Members: Agreed.

The Chairman: It being one o'clock, I do now leave the chair. The committee will resume at two o'clock.

At one o'clock the committee took recess.

AFTER RECESS

The Committee resumed at 2 p.m.

Mr. Dinsdale: Mr. Chairman, the importance of the bill before us this afternoon is not underscored by the attendance that we have. I expect that the Minister of Energy, Mines and Resources will be here in a moment.

An hon. Member: Here he is now.

Mr. Dinsdale: Good. Friday afternoon provides an opportunity for an atmosphere that is conducive to discussing these important issues in a cool, calm and collected way.

Mr. Greene: And a lonely way.

Mr. Dinsdale: At the outset of my remarks, I wish to suggest that this atmosphere provides an excellent opportunity for the minister to make a statement on resource policy. Parliament and the country has been waiting for this for many a long year.

The question before the House this afternoon is the reorganization of the Department of Energy, Mines, Resources and Technical Surveys. It is logical to assume that the reorganization of the department concerned with the most important subject in our economic development is concerned, resources, provides an opportunity and a platform for the minister to clarify some of the confusion that has existed within the cabinet ranks during recent days. The policy of the present government seems to be to move in several directions at the same time. I suppose they feel that a moving target going in different directions is harder to get into focus, but unfortunately it produces a sort of schizophrenic reaction on the part of the country. I am sure the minister realizes from very significant events that have taken place in important areas of influence, not only in Canada but elsewhere on the North American continent, that an unhappy state of economic schizophrenia exists. It is a shocking situation when the leaders of the financial institutions of Canada have to go to New York and, in an important discussion with the American business community, make a bitter attack on the economic policies of the present government.

There was an article in last week's issue of the *Financial Post* which pointed out the tendency of the government to be schizophrenic in its approach to fundamental problems. The area of communications is basic and vital in order to get across ideas. There has been a situation of schizophrenia in the Department of Communications since it was reorganized. Obviously reorganization does not necessarily mean increased efficiency. It can sometimes lead more in the direction of disorganization than in the direction of reform and efficiency, as a comment by Jeremy Brown published recently in the Toronto *Daily Star* and quoted in the *Financial Post* indicates. This points out the situation that I am briefly describing this afternoon. I quote:

> Eric Kierans, minister of communications (which formerly included the Post Office), sent a text of a speech to a Toronto address before the Feb. 11 delivery date. The package arrived 13 days later. The title of the Speech? Canadian communications: outlook and alternatives.

• (2:10 p.m.)

This quiet Friday afternoon does provide the minister an opportunity to give us an outline in the same terms as the minister responsible for communications. It could be called something like this—"Canadian Resource Development—Outlook and Alternatives". It has become increasingly clear in the past two decades that the basis for any great economic development in Canada must be our abundant supply of resources, particularly the growing development in the north. The wise utilization of the rich resources we have there, will be to the benefit of all our people. It is this growing interest in the management and development of our resources which in the latter 'fifties turned the attention of the Government of Canada in the direction of ensuring that these resources were managed as wisely as possible.

An important conference was planned and it took place in Montreal under the appropriate title of Resources for Tomorrow. Out of that conference came any number of suggestions for the development and wise management of the resource potential of Canada for the future welfare of citizens in all parts of this great country.

Unfortunately, not much progress has been made since the early part of the 'sixties. One of the reasons the spokesmen for the government are so confused in their counsels is that they suddenly find themselves in a situation where they have neglected to outline in any comprehensive manner the economic targets which ought to be achieved if we are to realize the great economic potential of our resources at a time when opportunities for their use are suddenly available. Moreover, and this is most important in the light of the growing concern with respect to environmental pollution, neither have they conceived any comprehensive or co-ordinated policy for the long term development of those resources while at the same time controlling any threat to the environment as a result. There has been a flurry of government legislation in the last two years which purports to deal with these fundamental issues, but again it would seem to be that this has been the result of a crash program rather than of careful long-term planning for the future.

I will mention one example. The Canada Water Act, which was passed as recently as last year, outlined the problem very clearly but unfortunately it supplied none of the answers. It described the "why" but it failed to answer the question "how". We have become aware of these problems to an increasing extent during the last decade. In fact, volumes outlining them came out of the Resources for Tomorrow conference of 1962. The difficulty was that we are short on solutions and on policies designed to deal with the long term development of resources in the best interests of Canada as a whole.

I wish to outline briefly at this stage in my remarks some examples of the government's neglect which has resulted in loss of time in this area, a neglect arising from a negative attitude to the management of our resources which has been motivated largely by political reasons. It so happens that the Conservative administration from 1957 to 1963 placed emphasis on national resource development. The Liberals, being in opposition at that time, took a negative attitude and as a result now find themselves hoist by their own petard. I hear comments coming from the other side of the House. If any hon. gentleman over there wants to ask questions—

Mr. Lessard (Lac-Saint-Jean): We were applauding.

The Chairman: Order. I wish hon. members would either be attentive or else not participate in the debate from behind the curtains.

Mr. Dinsdale: I do not know whether they were asking questions or whether it was sound and fury signifying nothing, to quote the great bard.

Some hon. Members: Oh.

An hon. Member: Why not quote Voltaire?

Mr. Dinsdale: Unfortunately, my knowledge of Voltaire does not make it possible for me to quote from that source.

Let us consider the national energy policy. It was laid down in 1959 with the establishment of the National Energy Board, and there has been no fundamental change in policy since that time though the difficulties have grown astronomically. We are now trying to extemporize a national policy to meet the changes which have taken place.

Early in the 'sixties a concerted effort was made by the federal government, in co-operation with the provinces, to establish a national power grid. These comments, it seems to me are quite apropos because one of the new responsibilities of the Minister of Energy, Mines and Resources under the re-organization proposals in part II will be energy development from water. This is not a new concept by any means. In the conference which took place in 1962, it was optimistically hoped that within a comparatively short time we would see the beginning of a national power grid which would make it possible to use the abundance of hydroelectric energy available in Canada, thereby conserving our fossil fuel and minimizing environmental pollution. A national power grid based on hydroelectric power would obviously be the cleanest and most economical kind of energy development and, as I say, it would conserve our limited fossil fuel supply. After all, fossil fuels are not renewable and once they have been extracted, that is the end of them. Certain agreements were undertaken at that time so that they could become the basis of an expanding national power grid. The development of the tremendous Hydro project in northern Manitoba was the beginning of such agreement. Unfortunately, the ensuing nine years has not seen any further development in the national power grid. When the minister takes part in this debate, I hope he will give us a report on his programs, policies and plans, if any, to bring the program of national resource development up to date and in tune with today's needs. There is a golden opportunity this afternoon for the Minister of Energy, Mines and Resources to explain some of the contradictions that have appeared in government policy as enunciated by important statements made outside this House. There are not too many important statements made in this House of Commons. The ministers have formed the habit of making their policy statements south of the border in cities like Denver or Dallas, or in some of the major centres in Canada. If the minister wants to get part II of the reorganization bill through this afternoon, I think it is incumbent upon him to remove some of the anxiety and concern that has arisen as a result of his contradictory statements.

• (2:20 p.m.)

The minister's Denver speech became famous—or infamous depending on your viewpoint—because it seemed to be a frontal attack on American investment in this country. Then just recently the Minister of Indian Affairs and Northern Development, who has some responsibility for resources as well, travelled to Dallas. Whilst there he

reversed the position and made an attempt to gain continued interest in investment in the resource development of Canada by American capitalists.

If all goes well the Minister of Fisheries and Forestry will become the minister responsible for the environment. He has made speeches in various parts of Canada which seem to be selective in so far as they choose little bits from the statements of the Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development. Let us get our stories straight in the House of Commons on this peaceful Friday afternoon. Here is a golden opportunity for the minister to sort out some of the contradictions and confusion in government policy that is having untold harmful effects upon the economy of Canada.

There are others who have entered the debate. The premier of Quebec made a visit to New York recently in an apparent attempt to offset some of the harmful effects of the speech of the Minister of Energy, Mines and Resources in Denver which had tended to cut off investment in the province of Quebec. A recent editorial in the Winnipeg *Free Press* of March 24 outlining the difficulties commented, "The troubled Canadian economy has been suffering from an accumulation of uncertainties concerning government policy." Let me re-emphasize that any resource development has for its final objective the development of the economy of Canada. We cannot have a consistent or co-ordinated policy unless the government speaks with one voice. The debate on tax reform has been going on for 16 months and has brought disastrous results to the economy.

The Deputy Chairman: I regret to advise the hon. member that his time has expired.

Some hon. Members: Carry on.

The Deputy Chairman: Is it the wish of the House that the hon. member shall extend his remarks?

Some hon. Members: Agreed.

Mr. Dinsdale: Thank you, Mr. Chairman, and hon. members. I shall endeavour to bring my remarks to a conclusion as quickly as possible.

I want to make one further fundamental point. We are debating in the abstract if we think that the policy of resource development is linked to any consideration but the economic potential of this country. We have to rationalize, we have to organize, we have to end the confusion that has been rampant as a result of the lack of leadership from the spokesmen for the government of Canada.

Now that you have extended my time, Mr. Chairman, I should like to spend a few moments on the most urgent aspect of resource development. I refer, of course, to the situation that has developed with respect to northern oil and gas in the past two years, particularly since the Americans brought in oil at Prudhoe Bay. Canada has lost the initiative here because we were exploring the high Arctic area as early as 1961, before the Americans. We were on Melville Island drilling what it was hoped was an oil well to a depth of 1,500 feet. This drilling proved that the geology of the high Arctic was favourable to oil development. This is a story of Canadian initiative that has still to be told because the initial exploration met with a lot of resistance and criticism. It was 100 per cent a Canadian operation spearheaded by Dome Petroleum and some of the minor oil interests of Canada.

Three fundamental problems emerged as a result of that pioneer effort in 1961. Had Canada come to grips with them as they emerged, as a government providing vigorous leadership in the resource area should have dealt with them, we would be in a much better position to come up with solutions today. I refer to the three problems of transportation, protection of the ecology and sovereignty. All these matters have had major public attention in the media during the last year as a result of the oil find at Prudhoe Bay on the Alaskan slopes. Research was going on in the early sixties regarding the transportation of resources out of the north. This included such far out ideas as the "big wheel", submarine transportation, tanker transportation and the possibility of a pipeline. Judging from the lack of certainty on the part of the government today, this research into transportation facilities must have died shortly after 1963 because everything that is mentioned now is of a crash, ad hoc nature.

No research material has been brought before this House by which members can judge the wisdom of the current approach of the government to northern development. The minister has been asked time and again to table the results of research so that the situation can be properly evaluated. Because of delay in implementing the findings of the Resources for Tomorrow Conference of 1962, we are now extemporizing solutions to environmental problems of northern resource development rather than operating on the basis of information that should have been available had the policy initiative continued through the decade of the sixties.

• (2:30 p.m.)

The question of sovereignty, of course, is one which arose because of the epic voyage of the *Manhattan* back in 1969 and some confusing statements which emerged from the government, from the Prime Minister down. I should like to point out that the voyage of the *Thord* to Melville Island in 1961 was just as epic a voyage as that of the *Manhattan*, because this was a much smaller vessel which got the drilling crews and their outfits through to Melville Island in time for the winter drilling of 1961-62. That voyage did not arouse any concern at all because at that time the general sentiment in Canada was that it was a bit of a nightmare to ever conceive that there might be an oil potential in the Canadian high Arctic. The only real initiative in dealing with the sovereignty question came from the committee on northern development which travelled to Resolute Bay. That committee, in no uncertain terms, suggested to the government a policy by which Canada declared that this entire area was under Canadian control and jurisdiction.

So, Mr. Chairman, without trespassing any further on the time of the committee, may I say I hope the minister will use this opportunity to clarify the contradictions and to end the schizophrenia that has caused untold damage to the economy of Canada. The problem of chronic unemployment, or under-employment if you like, is directly related to the confused state of our economy. We have a resource potential which could be used for a magnificent economic development if the government had the wisdom, initiative and courage to co-ordinate its policies in this regard. A reorganization of the kind outlined in Part II of Bill C-207 is merely a musical chairs gesture unless it is backed by strong coordinated policy statements on the part of the government. I hope the hon. gentleman, the Minister of Energy, Mines and Resources will use the energy at his disposal this afternoon to place on the record a definitive statement concerning government policy and plans in this regard. We are approaching a weekend, and such a statement would receive good coverage in the press. I am sure it would end the anxiety expressed by people in all walks of life, from bankers and financial leaders down to the hundreds of thousands of unemployed Canadians who are waiting for government leadership to resolve their economic problems.

Mr. Thomson: Mr. Chairman, I should like to make some remarks in a somewhat similar vein to those we have heard today in respect of the problems related to energy in Canada, and particularly some of the resources we have. When I look at the answers the government has given to the questions regarding oil or atomic energy in the past few months, I am reminded of a story during the Boer War when things were not going very well for the British. One government member was heard to say, "I suppose we will wander through somehow". That is how it would seem the present government hopes to solve the energy crisis, unless it adopts a better attitude than it has had in the past few months. I suggest it is not worthy of the minister or the government to take such an approach. Surely, they can make some decisions and recommendations in this area, and present something to us which we can discuss.

I think one of the attributes of a good government is the ability to anticipate the problems which might develop in a country, what might be needed in the way of energy or something else, and come forward with some firm recommendations concerning what should be done about them. I feel in this regard the present government has been sadly lacking. I believe it is fairly obvious that the United States has oil in Alaska which they will get to market somehow, and that we have some oil in our Arctic which we will get to market somehow. During the meetings the minister held with the oil company presidents this week, I wonder whether he was able to present a constructive proposal to them. For example, was he able to say on behalf of the government that the research has been done in respect of preservation of the ecology? In connection with the building of any pipeline, was he able to say we have done some research into the practical problem of building and operating a gas or oil pipeline through the permafrost? I wonder if he was able to make these statements.

I would like to know also whether the minister was able to say a comprehensive study had been made of a route for a Canadian pipeline or pipelines through the Mackenzie Valley or at any other location. I would like to know if he was able to talk in an intelligent fashion about this proposal with these people. Was he able to suggest what type of business organization should operate any such pipeline which followed a Canadian route? I wonder whether he had ideas to present to these people or whether he was stumbling in the dark. Certainly, I feel he should have been able to do so because it is some time since the oil was discovered and, therefore, he must have been aware that something would have to be done. If he was not thinking about it, then his officials should have been.

We have been told it is all very well to be critical but that one should have some practical suggestions. I should like to make some practical suggestions to the minister. I believe it is obvious that if such a pipeline were built, the oil which would flow through it in the immediate future would be mostly United States oil. Hopefully, there would be some Canadian oil. Obviously, there would have to be some United States money used in the building of any such pipeline. As Canadians, we have an interest in this pipeline and the type of organization that would construct and operate it. I suggest the most logical type of organization would be a Panarctic type organization through which we would use both Canadian money, expertise and control and United States money. In effect, it would be a joint effort. I suggest to the minister, without going into great detail, it would seem logical that a realistic approach to the problem would involve the resources of the two countries. I think this is a practical suggestion.

I should like to switch for a moment to atomic energy because I feel here we have a problem which is somewhat similar to the problem in respect of oil. Once again the minister seems to have been stumbling from atom to atom or from molecule to molecule. He does not seem to be able to make up his mind and seems to be concerning himself mainly with whether or not we can sell an atomic plant abroad and what we should build in Canada. I certainly believe his officials should be able to give him better advice. I hope some firm recommendations will be forthcoming along this line. I realize we do not have all the answers in respect of atomic energy. I realize also that the technology required in a field of this nature is pretty extensive and has not been developed in all countries. In answer to a question I asked this morning, the minister suggested we did not have all the technology necessary to build an enrichment plant in Canada.

• (2:40 p.m.)

I ask him directly, did he make a request of the United States government to make their technology available if we wanted to build an enrichment plant in Canada. Has he offered to put any money into a Japanese experiment,

or make a deal with Germany or Britain, regarding a new method that they are using to produce enriched uranium. I wonder if the government has considered any alternatives of this nature. I realize that there are many problems in the field of energy, but let me suggest that this is a very important matter and Canada may have some energy which we could sell to advantage. If we did so, we might be able to provide jobs for some of those who are unemployed and thus move forward in the technological age.

[*Translation*]

Mr. Laprise: Mr. Chairman, Part II of Bill C-207 offers us an opportunity to discuss the problem of energy.

We have heard this afternoon some very eloquent and detailed speeches on the problem of natural gas and oil transportation, which affects mostly the western provinces at the present time owing to the new Prudhoe Bay oil discoveries.

Mr. Speaker, we do not have this problem in eastern Canada; however, I feel that we would invite discussion of similar problems. Recent decisions reached by Venezuela and Asian countries that have been supplying us with oil until now are a cause for grave concern to us and we would prefer to see the province of Quebec get its gas and oil supplies from Canadian oil sources.

Mr. Chairman, why we be always dependent on some other countries, such as those of Asia or South America, since we have in Canada oil deposits and reserves as substantial as theirs? Moreover, we are told a considerable part of our territory has not even been explored yet. Therefore, the government should decide to make the studies that are required, if it has not already done so, and it should get in touch with private enterprise in order to find a way of supplying the eastern part of Canada with oil and natural gas. I think this would benefit the whole of Canada.

Having said this, Mr. Chairman, I would ask the minister to answer a few questions when he takes the floor in a few minutes. I should like him to explain this addition to the act.

For instance, the act passed in 1966 did not deal with hydro-electric power whereas the present one covers energy generated from water under the item "energy". As far as I know, Mr. Speaker, the production and sale of hydro-electric power falls within provincial jurisdiction.

I know, where the province of Quebec is concerned, that there have been considerable developments in the last few years. Even greater developments are now under way in the James Bay basin. This development interests me more particularly, because the basin is located in my riding.

It is expected that this development will take place in the next few years and involve investments of over $2 billion. We already know that Quebec's premier, the hon. Robert Bourassa, has made two trips to the United States to seek funds for the development of hydro-electric power in that part of the province of Quebec. We do not know as of yet whether his representations have been successful and will permit this kind of development.

It goes without saying, for the moment at least, that we do not expect to use all the power which will be generated in this basin. Outlets will therefore have to be found and I think this was another purpose of the premier's visit to the United States. However I fail to understand how in order to develop a portion of our land, we must kowtow before foreign financiers and ask them for permission to do so.

Recently we heard the Quebec budget speech. It was stated that there would be no tax boost, in order to allow the development of the economy, to allow people to enjoy a little more of their income.

On the other hand, this same government tells us that it will have to borrow many millions of dollars to make up the deficit. So, they do not raise taxes, in order to leave a little more money in the hands of the citizens to allow a better development of the economy, but they will try to get the savings which may exist to finance the administration of the province of Quebec. If individuals are left with a little more money, they will try to take it away from them through loans to administer the province of Quebec. So, how much will be left for developing private industry, for developing the natural resources of our province of Quebec?

This whole system of borrowing should be improved and our governments at the federal, provincial and municipal levels as well as all government agencies should not have to turn to private investors to borrow the money required for the administration of public affairs. If the government of Quebec, for instance, which is trying to borrow two billion dollars to develop part of its territory, had access to the Bank of Canada, it could borrow this amount and implement this project which could last for some ten years. Then the government of Quebec would not need to offer or sell a part of the Quebec territory to the Americans.

By borrowing from the Bank of Canada, the government would no longer have to run after foreign capital. Furthermore, these Canadian funds would be available for developing private enterprise, for creating new industries and new businesses.

Would the minister clearly indicate what this addition to the present law is all about? I understand its effect would be to insert in clause 8 of the bill all that concerns electrical energy.

Would the minister tell us also what he intends to do with respect to paragraph (*d*) concerning explosives?

We are all aware that recently we have had problems in connection with the use of explosives and more especially dynamite. We have too often seen dumps of explosives intended for building highways or digging being diverted to persons who were not too anxious about the proper operation of the administration.

I would therefore like to take this opportunity to ask the minister to see to it that stored explosives will be better watched so that burglars could not get hold of those explosives and divert them from their purpose.

I think that the few questions which I wanted to ask the minister will considerably clarify the bill under con-

sideration and indicate to us what the minister intends to do in the fields of hydro electric energy and the use of explosives.

• (2:50 p.m.)

[*English*]

Mr. Coates: Mr. Chairman, I wish to make a few remarks concerning the programming board report on the development of tidal power in the Atlantic provinces. This is a matter of the utmost interest to the people of the Maritime provinces, and the minister himself has indicated an interest in it. At the same time, I wish to point out that there are some aspects of the potential associated with Fundy power development with which the minister is not as fully versed as we in the Maritime provinces would like him to be. I hope to bring some of these aspects to his attention, trusting this will result in his developing an ever-increasing interest in the harnessing of the tides, stimulating a dialogue within his department that will result in the updating of the programming report which was prepared and made public in 1969.

I would first like to tell the minister that, I personally, and I believe the people of the Maritime provinces in general, appreciate his indication of willingness to review the findings of the programming board. We hope that a review will be undertaken immediately by officials of his department. There has been some laxity on the part of the provincial government of Nova Scotia in requesting the review which the minister has said he would carry out if he were asked to do so by the premiers of Nova Scotia and New Brunswick. The Premier of New Brunswick has said he believes such a review would be in the interests of the public, but the Premier of Nova Scotia, for reasons still best known to himself, has said he sees no particular value in such a review. He is carrying on negotiations with private interests with respect to development of power from the tides.

I believe it is in the interests of Canada that the federal government undertake an immediate review of the programming board report, because I think that everything associated with the tidal power that would be generated would involve the federal government. Because of this, it is essential that the federal government become involved in all discussions that transpire or are undertaken, either with private interests or with public interests. There is firm evidence to indicate that the bases on which the programming board made its conclusions no longer exist. Much new technical information is available with respect to lowering the construction costs of the dams necessary to harness the tides, and thus reduce the cost of the power generated.

I wish to put some evidence on the record of *Hansard* to indicate the degree of the problem that faces the northeastern part of the United States. I do so because it is evident that the amount of power generated from the tides will be far in excess of the requirements of the Atlantic area, and there would be a ready market for that surplus power in the New England states.

An article by the New York *Times* news service, which appeared in the *Chronicle-Herald* on December 11, 1970, stated among other things:

> The problem of long-range scarcity of energy in the United States, however, remains unsolved. And even for this winter, fuel reserves are precariously low.

Since December 11 last, we have discovered that article was founded on the basis of real evidence because they have been experiencing sharp shortages of power in the New England states. The article also contains these paragraphs:

> The price of coal in October was more than 50 per cent higher than a year ago according to the Wholesale Price Index prepared by the Bureau of Labour Statistics. The cost of residual oil which is used for fueling steam turbines and other industrial purposes, has risen by about 60 per cent.
>
> The cost of electric power has not climbed steeply yet, but the price of electricity inevitably will reflect fuel costs. In fact many, if not most, electric utilities have already applied for rate increases, citing fuel costs as their chief reason.
>
> Gulf Oil, Humble Oil, and a number of other companies have announced an increase in the price of crude oil—
>
> There is wide agreement that the sharp rise in energy consumption over the last five years has been an important factor in producing the fuel shortage. Energy use has grown by nearly 5 per cent over that period while in the years 1947 through 1964 consumption grew by an average of 2¾ per cent a year.
>
> A new emphasis on clean fuels that will not pollute the air has created heavy demands on natural gas and low level sulphur oil and coal. Supplies of gas are limited. Demand for residual oil has soared, both here and in Europe.

I might point out that the energy produced from the Fundy tides would be completely pollution free. Recently, the United Nations has shown an interest in tidal power as a form of energy because of its pollution free aspect.

The programming board, in effect, said, exactly what the minister said when replying to questions from me and other Maritime members about Fundy Bay power, that the decision would be made on strictly economic grounds. If I felt it were a fact that cheap power could not be produced from the tides, then I would hold that the Fundy tides should not be harnessed at the present time. But I point out to you, Sir, that most of the experts disagree with the Minister of Energy, Mines and Resources and his officials. They say that the Fundy tides should be harnessed at the earliest possible date. They base their case on the ever-increasing cost of competing fuels. They say that everything is increasing in price, and that there is no reason to expect that power will not increase in price. They say that the sooner we undertake to build the dams to harness the tides the better chance we will have of producing power economically.

Mr. F. L. Lawton, the former director of the study group which produced the programming board report, later made certain statements which were referred to in an editorial in the *Daily Gleaner,* May 26, 1970. I quote from it as follows:

> Mr. F. L. Lawton, former study director of the tidal power programming board, in a speech yesterday kept to the interest rates theme. Interest rates would have to drop to about half their current value, he told the conference, to make power economically attractive in the Bay of Fundy. But, he said, despite the findings of the board, "there are a number of other in-

fluences affecting the economic viability of a tidal power scheme, all tending to operate in favour of tidal power. These are changes in fuel costs for alternative power sources, and technological changes influencing capital cost comparisons."

Even the man who produced the report in 1969 which concluded that it was not economically feasible to move forward with the harnessing of the Bay of Fundy tides, in 1970 indicated a change of heart and said it may not be long before power produced from the tides would be economical. In addition, international experts at a conference on tidal power in Halifax have stated there are alternative methods of harnessing the tides that were not considered by the programming board. In this connection, I would like to quote from *The Evening Times-Globe* of June 2, 1970, as follows:

Dr. T. J. Gray, Director of the Atlantic Industrial Research Institute of Halifax, said Fundy tidal power development would have to be on a bigger scale than envisaged to be economically feasible.

• (3:00 p.m.)

There would have to be "in the area of 4,000 megawatts with a peak of 8,000 to 10,000 megawatts before it can become saleable,' but even though that would mean a higher construction cost 'this shouldn't scare anyone.' He said the cost of power from nuclear and thermal generating stations in the United States has been spiralling and is still rising. Tidal power costs would be considerably less than present conventional costs in the United States if developed on the required scale.

What the experts are saying is that first there is new technology available that would make the construction of the dams cheaper; second, that the project should be larger and allowed to produce a greater amount of power, and if this were done the cost of power would be reduced. I believe this to be correct, Mr. Chairman: there is a great deal of evidence to indicate that it is correct. I think it is imperative that a review of the programming board's report be undertaken at the earliest possible date.

The minister has come a fair distance. Both he and the Prime Minister initially indicated that they were not willing to review the programming board's report. The minister, after consultation and discussion, has now agreed that a review should take place if the two participating partners with the federal government, the governments of Nova Scotia and New Brunswick, request such review. The Premier of New Brunswick has indicated such an interest. The Premier of Nova Scotia, for reasons best known to himself, as I said earlier, has not been willing to make that request.

I believe we have now reached the point where it is in the public interest for such a review to be initiated by the minister, whether the Premier of Nova Scotia makes such a request or not—because I believe that the harnessing of these tides will bring tremendous benefits and will be of tremendous future value not just to the maritime provinces but to the whole of Canada. That project would produce great amounts of energy and in addition the federal government could export and sell surplus power that would be produced from the tides. Such a review must be undertaken soon, because the longer we wait before making it, the more it will become obvious that the report, prepared at a cost of $2.25 million two years ago, will be useless. In other words, the investment of $2.25 million is not being protected because we are not going to have the review.

• (3:10 p.m.)

I would now like to approach this matter from a slightly different point of view. I quote from an article by Harold Shea that appeared in the December 11, 1970, edition of the *Chronicle-Herald:*

Why hasn't Canada taken the plunge into the Bay of Fundy tidal power project?

High capital costs? High interest charges?

That's the reason Ottawa gives for its steadfast refusal to fund the Fundy.

But the argument no longer holds water because:

1—The critical energy in the United States, and the end of that country's era of cheap power and cheap fuels, hand Canada a gold-platter invitation to cash in on a premium price market for much of the energy the project could generate.

2—By selling surplus power to the eastern United States, Canada could realize a return sufficient to underwrite much of the capital cost.

3—And interest rates are declining.

Could it be that there are other reasons for Ottawa's reluctance?

Mr. Shea then points out some of the reasons why he feels that Ottawa is reluctant. I will not quote further from the article. This week I received a reply to a question I directed to the minister about CANDU, the Douglas Point plant which was produced by AECL in arrangement with Ontario Hydro for the production of power by nuclear energy. I have examined the information that was provided. I do not think that I can reach any conclusion other than that for every dollar we are spending we are receiving not more than a 50 cent return. In the explanation that was provided I was informed that we should not expect a dollar back for every dollar invested; this is a prototype plan and because of this fact, other reasons and financial involvement, we cannot expect a 100 per cent return on an investment. I will accept the fact that we should only expect a return of 50 cents on every dollar spent if it can be shown that the investment is of some value to me.

The Chairman: Order, please. I regret to interrupt the hon. member, but I must advise him that his time has expired. The hon. member may continue only with the consent of the committee. Is there such consent?

Some hon. Members: Agreed.

Mr. Coates: Mr. Chairman, I will take only a few minutes to finish this argument. I accept the argument that there may be a reason for receiving a 50 per cent return on every dollar invested. However, I cannot imagine any businessman becoming involved in a venture in which he expects to realize only 50 cents on every dollar invested. I can appreciate why Ontario Hydro is involved in this scheme. They cannot lose. They are buying from the Douglas Point plant power at six mills which has cost the Douglas plant at least 12 mills to produce. That is a ridiculous situation if carried to any length.

When in Nova Scotia, the minister pointed the finger of scorn at the leader of this party because he convinced the people of that province that they should become involved in the construction of a heavy water plant. The minister laughs at the people of Nova Scotia. He has the impression that we are a bunch of rubes or hicks because we became involved in something that was new and not technically feasible. Because we got into difficulty, the minister derides the Leader of the Opposition. He says that we acted in a stupid manner. The same minister who made fun of the Leader of the Opposition is responsible for a scheme whereby the people of Canada have invested $90 million in a plant which is producing electricity that is costing the taxpayers of this nation twice as much as it should. If the minister feels he can justify that type of proposition, that is dandy.

The minister has pointed the finger of scorn at the Leader of the Opposition by saying that at the heavy water plant a plaque should be erected which reads "Bob Stanfield slept here". I say that a plaque should be put on the Douglas Point plant which reads "Joe Greene slept here, and every day he sleeps here it costs 50 cents for every dollar's worth of fuel that is produced".

Mr. Greene: That hurts!

Mr. Coates: The point is not whether we run into problems with new technology when trying to produce energy; it is that the tides going in and out of the Bay of Fundy can be used to produce energy. The experts say that it can now be produced at a saleable price and in amounts that are almost unbelievable. There is no source in Canada that can produce the kind of power which the tides in the Bay of Fundy can produce. We have invested $2.25 million to determine whether dams can be built to harness the tides. The engineering and economic experts say they can be built. The President of the Treasury Board agrees that this power can be produced, but says it will cost too much. There are a great many experts who are knowledgeable in the field.

Mr. Greene: Who?

Mr. Coates: Who said "Who?"

An hon. Member: The minister.

Mr. Coates: I can send the minister an article from the *Evening Times* which quotes the experts. It is a sad situation when the minister does not know who these experts are. It should not be up to me to supply the minister with this information.

Some hon. Members: Hear, hear!

Mr. Coates: If the minister were really concerned about the Atlantic provinces, he would consider undertaking this project which is as big as anything ever imagined in this country. Instead of asking me "Who?" the minister should know the name of every expert. His interjection demonstrates the interest he has in the Atlantic procinces. It is obvious that the minister is saying "My mandarins tell me that it cannot be done".

Mr. Greene: Yours too?

Mr. Coates: Not mine.

Mr. Greene: Nova Scotians.

Mr. Coates: If the Nova Scotia mandarins are saying this to the minister, why are the same mandarins, including the Premier of Nova Scotia, talking to the Rothschilds, the public utilities in the New England states and others? They are doing so because they know there are these markets. They are talking to the Rothschilds because they know that the money can be produced. The federal government has a very real interest in this matter. If the power can be produced, we should produce it. If we produce it, we shall be able to sell it. The longer we delay producing it, the longer it will be before we can sell it, because it will take at least ten years to build the dams to harness the tides.

• (3:20 p.m.)

The President of the Treasury Board is laughing to himself. I can understand his laughing, because this matter concerns the Atlantic provinces. He comes from Montreal and he does not give a damn what happens in the Atlantic provinces.

Some hon. Members: Oh, oh!

Mr. Coates: If the President of the Treasury Board is really interested in protecting the taxpayers' dollar, I would remind him that he has a $2.25 million investment in the report of the programming board. If he is really interested in protecting that investment, he will see that the report is brought up to date so that it can be utilized and work can go forward as quickly as the economic evidence deems advisable. The report is no good today because it is outdated. It is the minister's duty to see that this deficiency is rectified.

Mr. Harding: Mr. Chairman, I have listened with interest to the debate on part II of the reorganization bill, the part which deals with the Department of Energy, Mines and Resources. I listened with particular interest to the preceding speaker's views on the subject of generating power from the tides of the Bay of Fundy.

Earlier we heard a speech by the leader of my party, in the course of which he asked a number of interesting questions about government policy. I am sure we are all anxiously waiting to hear from the minister just what the plans of the government are. If there was ever a mixed-up program it is in the field of energy policy. The minister has time and time again made trips to the United States as well as to various parts of Canada, and on every occasion he has adopted a different approach to the question of how Canada's energy resources are to be used.

An hon. Member: He is flexible.

Mr. Harding: I'll say he is flexible! We might have another word for it. It is high time the Canadian people knew where the government is going as far as the overall development of our energy resources is concerned.

There is one question I should like to deal with in the limited time at my disposal this afternoon, namely, a national energy grid. The subject has already been touched upon by one or two speakers, but it seems to me it is one of the major fields which the government and the minister responsible have been neglecting.

I have in mind a grid which would cover Canada from the east to the west. This makes sense. We have been talking about the development of such a grid for years and we have every right to ask what is holding up this project, what the government is doing or what the minister and his department are doing to ensure that such a grid is set up.

We have just heard an interesting speech about the power which could be produced from the Fundy tides. The best way to use that power would be to tie it in to a national grid. As all hon. members know, across Canada there are a number of different time zones. They also know that when hydroelectric power is produced, there must be sufficient power to meet peak demands. This is why a national grid is a necessity. As peak times differ, loads could be switched from one region to another. We could save ourselves hundreds of millions of dollars in energy costs if we had the foresight to set up a national grid and pass reserve power from area to area as requirements change. Yet here we sit, in 1971, while the department does practically nothing along this line.

What is happening, Mr. Chairman? I will tell you. A north-south flow of power is developing. We are selling it over the line. Take natural gas, for example. Natural gas is one of the best energy sources we have, and it is one of the cleanest. We are fighting pollution. Instead of selling as much natural gas, as we do, south of the line, why should we not use it from one end of Canada to the other to produce clean electricity? This would help solve our pollution problem while at the same time using Canadian resources in our own country. The government's lack of policy in this direction is discouraging to those who have been trying for many years to move its thinking in this direction.

We have solved the technical difficulties attached to transmitting electric power over long distances. Other countries have done so. It can be transmitted from east to west and west to east.

An hon. Member: Really?

Mr. Harding: Yes. It is late because the north-south transmission of energy is taking place. It is late because governments such as the Liberal government which has been with us for years have not realized the immensity of the benefit which would accrue to Canada if more emphasis were placed on use within our own nation, and less on the export of natural resources, including energy resources in particular. I understand studies have been made on the basis of which an east-west grid is feasible. We have all heard stories about a mid-Canada corridor. Then again, hon. members say we ought to do something to arrest the population drift to the cities. They argue that the population should be spread out more evenly. It is predicted that within a few years 80 per cent of the population of Canada will be residing in the urban areas. Here is a chance to distribute industry and population and to develop other sections of this country. To achieve this end, of course, power and an east-west grid are essential. The lack of activity along these lines is detrimental to the nation generally. The previous speaker said that the Fundy power project is feasible. Some time ago it was estimated that if this project were in operation, $100 million would be saved on the importation of coal from the United States. Incidentally, there would be less pollution. These are matters which the minister should take into consideration. It is well known that the most expensive power in the world is peak power, so if the load could be spread the cost would decrease. I sometimes wonder whether this aspect has been sufficiently surveyed. A great deal can be done to cut down pollution caused by energy resources, and to solve the problem of regions of low employment, and so on.

• (3:30 p.m.)

Another problem which I would like to deal with briefly, Mr. Chairman, is the projected pipeline from Alaska through northern Canada. Numerous questions have been asked about the amount of research being carried on in the north. The Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development have stated in this House that a great deal of research is being carried out. However, details have not been forthcoming. I am aware that some oil companies and some government departments have initiated research, but I doubt if much of it relates to the effect of oil spills upon fish and wildlife. The Minister of Fisheries and Forestry made an amazing statement in Victoria the other day at a convention of the Liberal party. He said, "I am 90 per cent sure that the building of a trans-Canada corridor can begin by 1972." From the information we have it is clear that it will take three or four years to gather sufficient knowledge to determine whether such a pipeline would be safe.

I ask the minister, what projects are afoot in the north to deal with the flora and fauna, who is doing them, who is in charge, where are they taking place? Surely the minister could give us this information right now or when he speaks in the debate. I assure him that if we do not get the answers we will keep after him until we do. I am of the opinion that a number of these projects have been agreed upon but that there is practically no research taking place. Yet the stories coming from the minister and the government generally are that we have almost enough information now to make the decision on whether the pipeline shall go forward.

Mr. Pepin: The minister has said the opposite.

Mr. Harding: We must think of all the factors before committing ourselves to any type of pipeline. It would be a disaster to find out that it would destroy the northern ecology. Blunders can be made, so we must endeavour to ensure that we proceed from the firm and sound basis of research. Mr. Chairman, I should like the minister to tell us what research is being done on the movement of cari-

bou in the north. This question affects the entire Indian and Eskimo populations. Who is in charge of this? Who is doing it? How long has it been under way? How many men are in the field? I must speak out, Mr. Chairman, and emphasize that the native peoples in the northern part of Canada have every right to make certain that this Parliament protects their right to earn a livelihood in the part of the country in which they have lived for generations. We must not forget this fact. Has the minister any plans if it is found that there will be caused tremendous disturbance and upset for the people concerned?

We know that economic development is now going on in the north, without any land use regulations. It is hard to imagine a government carrying on economic development that could destroy the ecology, without laying down strict regulations. Land use regulations have not been brought in by the Minister of Indian Affairs and Northern Development and no one knows the type of land use regulations that will be introduced in respect of gas and oil exploitation in the north. I say that this is a disgraceful situation.

• (3:40 p.m.)

We are told that when the regulations are brought in they will cover only about 5 per cent of the main mining areas, and the remainder will be open. If this is so, I tell the minister that it will be one of the most stupid steps the government could take. Every bit of oil drilling and gas exploration which is going on in the north should be under strict government regulation. It is our duty to protect the whole of Canada. It is our duty to protect the natural environment in which our northern inhabitants live.

We are not saying exploration in the north should be stopped, but we are saying that this government should produce the regulations so we can see where we are going, what the government intends to do and how much freedom exploiters of our natural resources will have when they start to dig for the natural resources which rightfully belong to the Canadian people. Over the years we have experienced enough government delay, delay and delay until it is too late. We have had an example of this in the southern part of Canada, where our lakes are polluted and where in many areas we have made a sewer out of the air until it is not fit to breathe.

We say it is time that the north, which is relatively unpolluted, was protected. It is said that one learns by experience and what has happened in the past. I suggest it is time now, in 1971, that we realized this and made sure that when we move in these new areas pollution does not occur over and over again.

The Chairman: Order, please. I apologize to the hon. member, but I must interrupt to advise him that his time has expired. The hon. member indicates he would like to continue. He may do so only if there is unanimous consent. Is there such consent?

Some hon. Members: Agreed.

Mr. Harding: Thank you, Mr. Chairman. I shall take only another 30 seconds or so. There is one more question I wish to pose to the minister. Last week the Minister of Fisheries and Forestry suggested that the new Department of the Environment should have the power of veto in respect of environmental problems in the north. I ask the minister whether he agrees with this and whether he would support a move to have this power written into the legislation covering the new Department of the Environment or into another appropriate statute.

Mr. Knowles (Norfolk-Haldimand): Mr. Chairman, I rise to say a few words about a great natural resource of Canada which has been touched upon this afternoon but has not been mentioned specifically. When one flies over this great country of ours one is struck by the great potential of our water resources in the form of lakes and rivers, some of which are unpolluted and many of which are polluted. I wish to speak about both.

We must ask ourselves how we can derive the best use of this great natural resource. Today people talk about selling it to the United States. They say we have more water than we can use in the forseeable future, and that therefore we should sell it. In this sense there are many questions one might raise. First, I think we should take a hard look at the present and future needs of Canadians. It would be simple to establish a system of canals and waterways in order to get the water to the United States. In other words, we could turn on the tap—but once the tap has been opened, the question is how to shut it off if we should wish to do so.

From an agricultural point of view, I think we should remember that one of the prime uses to which the water would be put in the United States is in the irrigation of farmland in arid areas of the United States midwest, where crops could then be produced which would be competitive with those of western Canada and, indeed, of all parts of Canada. So let us be very careful before we enter into agreements to sell our water to the great nation to our south.

I shall now come closer to the area I represent, namely, the Great Lakes area. There we have a great water system which bears the commerce of the world into the heartland of North America. Along it has been developed, at ever-increasing speed, a great industrial corridor which many people have referred to as the Ruhr of North America. This resource will continue to be used for that purpose whether or not it is polluted, unless the water becomes so thick that ships cannot pass through it.

This great waterway of central Canada is also an important source of supply to the municipalities which have grown up along it. The purity of the water is most important in this regard. Obviously, if the water is polluted, the municipalities and industrial plants can become involved in very great expense in respect of purification. There are many industrial plants along the shoreline of the Great Lakes. One example is the hydro-generating plant at Nanticoke, which will be one of the largest in Ontario when completed. Water will be taken from Lake Erie for this plant not only for the generation of steam but also to be used as a coolant. The water will be discharged into the lake again at a temperature several degrees higher than that at which it was taken in, and

some ecologist who have studied the lake say this will have a detrimental effect on fish and plant life in Lake Erie. So we must be careful that this water is used wisely and well.

The Great Lakes system provides an opportunity for the harvesting of a great many fish. I do not believe anyone is now unaware of the fact that the pollution problem in the Great Lakes system has dealt a severe economic blow to the people who try to derive a livelihood from fishing, particularly in Lake Erie and Lake St. Clair, and in fact in all the Great Lakes. Another point is that the Great Lakes system is being made a carrier of waste. There are those who tell us that some of the rivers flowing into Lake Erie on the south shore are so polluted that the water itself is a fire hazard because of the pollutants from the refineries along the shoreline near Cleveland and Erie. I understand a warning has been issued because of the fire hazard. This seems almost beyond imagination. Therefore, we must make sure we do not make our waterways into merely carriers of waste.

• (3:50 p.m.)

I should like to deal particularly with Lake Erie. It is the shallowest of lakes. It is in danger of becoming the settling basin for the pollution spewed into it from the St. Clair River, chemicals from industries on the Detroit River and the great industrial city of Detroit. From these sources and others there is a great danger of eutrophication in Lake Erie, that is, the enrichment of the lake with nutrients which cause plant growth, the green algae with which we are all so familiar. This is becoming a menace to people who live along the shores of the lake.

Phosphates are major nutrients which contribute to the growth of algae and to the eutrophication of our lakes. The source of phosphates, one of the great culprits, has been detergents which until the last year or two have been largely made from a phosphorus base. Hence, the very wide use of detergents in the discharge of effluents through our sewage systems ultimately causes the pollution of our lakes. This has been cited as one of the great culprits. There are those who will argue with that statement. I think the Minister of Energy, Mines and Resources and his officials through their studies have come to the conclusion that this is the major source of phosphate pollution in our lakes. There are people who have contrary views. I should like to read, for the edification of hon. members, from the scientific paper "Chemistry and Industry," published in London, England, in March of 1970. Part of the article reads as follows:

> Detergent phosphates are only one of the sources of the phosphate content of the effluents causing eutrophication; other sources such as human excreta in sewage, fertilizer and animal manure run off from farmland and natural erosion contribute much larger amounts. Thus it is open to doubt whether a ban on detergent phosphates will in itself lead to a material or indeed to any improvement in the condition of Canada's inland water.

I would ask the minister to pay particular attention to these scientific authorities who have carried out extensive research in this field. Let us not think that our problem is solved just because we ban detergents with a phosphate basis. Human excreta is another major source of pollution. It comes from cities and towns. Many of them spew raw sewage into our rivers and lakes, and many have no treatment facilities whatsoever. We do not have to look very far from here to see a major city which does just that.

Fertilizer from agricultural land runoff has also been charged as one of the culprits in phosphate pollution. Much of the fertilizer contains three major ingredients, nitrogen, phosphorus and potash, but any soil chemist will tell you that phosphate is one of the chemicals which is added to soil as a fertilizer, locks itself into the soil and is least subject to erosion from any of the chemicals applied. So let us not condemn agriculture too strongly when we hunt for the culprit of phosphate pollution.

I have talked about many bad things, but what are some of the remedies? I will suggest three. Let us have a "get tough" policy with industrial polluters. The Ontario government has launched a suit against the Dow Chemical Company for $25 million. Surely it cannot be considered a licence to pollute if they are going to be forced to pay that large amount of money. Let us be tough with our industries. When the Canada Water Act was reviewed, severe penalties were imposed. This was a step in the right direction. Let us not get soft with industry, and let us not be carried away with the economic impact that will result if we make it so tough for industries that they cannot locate in these areas or serve our society.

Another thing the government can do—and this can have many side effects—is direct federal grants to municipalities for the construction of primary and secondary sewage treatment facilities. I remind hon. members that in 1959 the Conservative party in power made a series of such grants to municipalities. I think this is a program worth considering again. As I said, it can have many side effects. The construction industry will have a shot in the arm through such a program, there will be increased employment, and so on.

As I said earlier, the discharge of raw sewage into our lakes and rivers is a major source of pollution. Let us treat it. I would like to see our government take a tougher stand vis-à-vis the United States regarding the sharing of responsibility, on the International Joint Commission. It is all very well to ask, what can a little country like Canada do against the great neighbour to our south? But believe me, we could make enough stink about it, to put it bluntly, that the media would get the message and it would get across to our neighbour. The rank and file of the people in the United States are not happy about this situation either. I think we need a "get tough" policy. Let us not have so many reports from the International Joint Commission, but let us see some action from it.

I would like to conclude on a more optimistic note. I have painted a rather gloomy picture of Lake Erie, which is very close to where I live and which I do not consider to be polluted in any sense. I will close by quoting from a

newsletter from the Lake Erie region economic council. They start as follows:

"Lake Erie is so polluted that if anyone falls into it, he doesn't drown, he just decays".

Do you know who said that? Hon. members have heard it before. The Duke of Edinburgh is reported to have said it during an address to the Council of Europe in Strasbourg, France. A high school student said:

I am afraid to swim in Lake Erie because if I swallow some water I might die.

He said this during a conference on our environment. The newsletter goes on to say:

We can perhaps forgive the young enthusiast for the exaggeration. It is more difficult to forgive the inaccurate statement of the Queen's husband and the international attention it provoked.

Believe me, it did provoke international attention and the people on Lake Erie suffered from it in an economic sense, as this quote will illustrate:

Observations such as these, no matter how well meaning, do nothing toward a solution and are harmful in other ways.

Let's consider Lake Erie for a moment.

To say Lake Erie is polluted is just not true.

Sections of it are polluted and the water quality varies with location, time of year, lake levels and weather.

Sweeping generalizations create very detrimental impressions which are hard to overcome.

"Stories and statements about the pollution of Lake Erie are having a very damaging effect upon tourism along the north shore"—

The Chairman: Order, please. I regret to interrupt the hon. member, but his time has expired. It being four o'clock, it is my duty to rise, report progress and request leave to sit again at the next sitting of the House.

Progress reported.

PRIVATE MEMBERS' MOTIONS

TRANSPORT

ATLANTIC REGION—REQUEST FOR DECLARATION OF GOVERNMENT POLICY AND ENACTMENT THEREOF

Mr. Charles H. Thomas (Moncton) moved:

That, in the opinion of this House, the government should immediately declare a transportation policy for the Atlantic region based upon modern solutions to present and future problems and should introduce, in this session, legislation to implement that policy for debate and enactment by Parliament.

He said: Mr. Speaker, I present this motion to the House not just to be repetitious on a subject on which I have made many representations to the government but, rather, in the hope that somehow I may be able to inject some new emphasis into my remarks which would prod this government to action—action to honour its promise of 1966 to bring in legislation which would lead to a comprehensive transportation policy for the Atlantic area.

• (4:00 p.m.)

Why am I so concerned about the transportation problems of the Atlantic provinces? Why have I made so many representations to the minister, in the House, in committee, and in fact anywhere that I could get his ear? Why have I continued to call for action when it seems that all my pleas fall on deaf ears? To understand, one must be aware of the peculiar problems of the Atlantic area; one must be aware of the great important transportation plays in the economic life of Atlantic Canada; one must realize that the development of a region is directly related to its ease of access to resources and to outside markets, that a major impetus for growth comes from the ability of a region to produce goods and services demanded by the national economy and to market them in competition with other regions.

One must also realize that the ability to compete in exports is related to the efficiency with which the region is able to assemble the factors of production. This ability relates not only to adequate physical systems but to a realistic rate structure designed to overcome the handicaps created by geography. This was recognized by the Fathers of Confederation in the discussions that preceded the entrance of the Maritime provinces into the union. It was tangibly expressed by the construction of the Inter-Colonial Railway to enable the people of the Maritime provinces to secure access to the larger markets of the whole Canadian nation. Until 1912 government policy maintained a rate structure below that of the rest of the country, but between 1912 and 1920 steadily increasing freight rates, increases which were greater than those in the rest of Canada, brought on the dissatisfaction that culminated in the appointment of the Duncan commission in 1926.

The Duncan commission recognized that the Inter-Colonial rate structure had to be maintained to enable the area to compete in the markets of the country. But the commission found that successive rate increases had destroyed the historic rate structure and recommended that action be taken to assist shippers and producers in the area. The recommendations of the Duncan commission led to the passage of the Maritime Freight Rates Act in 1927 in a stated attempt to restore the former Inter-Colonial rate structure.

It may appear to some that I have dwelt too long on the background of this problem, but I have done this deliberately because of the tendency of many people to look on assistance granted for transportation in the Maritime area as assistance to the carrier rather than to the movement of products and produce of the region. I again emphasize something that I will refer to later in my remarks: assistance in respect of transportation must not be considered as assistance to the carrier but, rather, as assistance in the movement of products and produce of the region. This is the keystone of my argument. It is a fact which has been too often overlooked by governments and by those who deplore th eamount of money spent on assistance in the region. I also wish to dispel the notion, too commonly put forward, that transportation is not an important factor in economic development.

Although I agree that transportation costs are not the only problem, many businessmen in the area have stated that assistance in their transportation and distribution problems, would mean more to them than the financial incentives which are being provided by various governments or their agencies. The most recent submission has come from Maritime Co-operative Services Limited. This group is very disturbed about the several increases in transportation rates which have caused signicant increases in the costs of manufactured products moved out of the area. They point out that these increased freight rates have great significance for industry in general in the area, because they have eroded and will further erode any possibility of Atlantic industry being either supplied with materials from outside—or shipping manufactured products elsewhere.

Transportation, Mr. Speaker, is indeed an essential element in the economic development of the Atlantic region. I refer to transportation in its broadest sense to include transportation costs as well as the availability of transportation facilities. This principle is recognized in the Maritime Freight Rates Act which established that the Atlantic provinces had special transportation needs, just as the Crowsnest Pass grain rates recognized the special transportation needs of western Canada.

What, then, should be the elements of a rational Atlantic transportation policy? For guidance we can do no better than turn to the report of the four Atlantic Premiers, a report, incidentally, which was endorsed fully by the Standing Committee on Transport and Communications. This report emphasizes that transportation assistance in one form or another has been used throughout Canada as a means of developing the economy of the nation. Special regional transportation assistance has been provided to meet political, social and economic needs of various regions of the country. Such regional assistance has a continuing role to play in the economic development of the Atlantic area. It is admitted that the Maritime Freight Rates Act has not been completely effective because in many cases the assistance provided does not benefit the shippers but is, rather, a subsidy to the railways.

• (4:10 p.m.)

The Maritime Freight Rates Act requires revision. Any revision must be designed not only to assist the economic development of the area but it must also be considered in terms of total economic development. The Atlantic Premiers agreed that modification should be made to the Maritime Freight Rates Act, but on the clear understanding that any such modification would be made only on condition that a federal-provincial agency be set up to administer the operation of the act and to ensure that such assistance would benefit the shipper through special selective assistance to the industry concerned. This assistance would be available for raw materials, semi-finished materials and component parts which industries bring into their plants for further processing. Also, industries could apply for and receive transportation assistance on products shipped to market in the rest of Canada.

The over-all guidelines for such assistance should be the degree to which this assistance would enable a company to expand. The agency would be equipped with a fund to provide assistance, and assurance would be given that any reduction in subsidies would be offset by corresponding assistance to industries and shippers involved. While it was agreed that it would be desirable to phase out the subsidies under the Maritime Freight Rates Act gradually, the amount of assistance so phased out should be replaced by more effective benefits granted to the regional industries involved. Effective competition among the various modes of transportation must be created, and an integral part of the proposals concerned a long-term program for upgrading arterial highways, for improving connections between the island provinces and for lowering the costs of providing rail transportation.

A new air transportation policy should be evolved to permit redistribution of air routes between trunk and regional carriers. Water transportation facilities should be reviewed and improved. In short, the report agreed that a regional transportation policy should encompass all modes of transportation—road, rail, water and air—and should be designed to assist shippers and manufacturers in the area to compete in the Canadian market.

Let us see what has happened since the Atlantic Premiers report was tabled. On June 17, 1969, when introducing the Atlantic Region Freight Assistance Act, the Minister of Transport (Mr. Jamieson) referred to the Premiers' report and agreed that it would be desirable immediately to set up an agency of the type requested in the report. This joint committee, as he referred to it, would be asked to consider the recommendations of the Premiers and to make recommendations on these matters to his department. He also pointed out that ARFA was only a temporary measure and that once the joint committee got under way and made recommendations he intended to bring in legislation of a more permanent and extensive nature. That was two years ago. At the same time, the minister gave the following commitment, as recorded at page 10386 of *Hansard*:

> I am giving the House a commitment that there will be no change in the rates under the MFRA unless the committee so recommends and unless the amount to be spent in some other manner is at least the same as the amount originally provided.

Since that time we have seen the subsidy reduced from 20 per cent to 17½ per cent; and even though the federal-provincial committee recommended that the government should act immediately to draw up special recommendations to provide equivalent assistance, no action has yet been taken. Is it any wonder, then, that the people in the area are afraid that this is the start of a phase-out of subsidies without equivalent assistance being provided? In the two years that have elapsed since the report was tabled we have seen a continuing erosion of the situation as a result of successive freight rate increases which have been imposed by the railways and which have destroyed the position of the Atlantic shipper vis-à-vis the rest of Canada.

The committee has met several times and has made recommendations to the minister. Several times during the present session I, along with other hon. members, have

asked the minister about the progress being made on the recommendations of the committee. On December 16, as reported at page 2019 of *Hansard,* the minister stated that a great many of the recommendations had already been implemented and that others were in the process of being implemented. He went on to say that the committee was still meeting and that as recommendations were made they would be put into effect.

I would point out to the minister that although some of the recommendations have been implemented, for example, the subsidy has been extended to trucks—incidentally, there has not been a decrease in rates that the minister prophesied—the rates on the Newfoundland and Prince Edward Island ferries have been equalized and the subsidy has been reduced to 17.5 per cent, the most vital and basic recommendation has not yet been acted upon. The whole basis of the Premiers' report was that the subsidies should not be altered unless and until equivalent transportation assistance was provided for the shippers.

We on this side of the House are fearful that what we indicated to the minister during the debate on the Atlantic Region Freight Assistance Act is now beginning to happen; there are indications that subsidies will be reduced and gradually phased out completely without equivalent assistance being provided. I therefore urge the minister to take immediate action to have regulations drawn up to provide special transportation assistance and to carry out what the federal-provincial committee recommended, that additional financing be provided during the first years of the subsidy phase-out.

I suggest that there are several ways in which this could be done. It could be done through supplementary estimates, as in the case of subsidies to the truckers, or the minister could use the balance of the funds which were originally provided to reimburse the railways when the freight rates freeze was imposed. At that time, as the minister knows, approximately $12 million were voted to reimburse the railways for revenue lost because of that freeze. When the freeze was lifted, only about $6 million of this money had been used. So I suggest to the minister that he could use the remaining $6 million as a start to develop some programs of special assistance.

The minister could also call on his colleague, the Minister of Regional Economic Expansion (Mr. Marchand), to provide funds and assist shippers to build up the infrastructure he is always talking about; that is to say, he could ask his colleague to assist shippers in their transportation costs as a means of promoting the over-all economic development of the region. I should like the minister to think seriously about those suggestions and to give serious consideration to announcing his program of special assistance as soon as possible.

I had the pleasure, Mr. Speaker, of being with the Standing Committee on Transport and Communications in February, 1969, when it went on its trip to the Atlantic area, and I heard the many fine briefs which were presented at that time. The Maritime Transportation Commission produced figures to show that prohibitive freight rates had destroyed much of our former industry and had discouraged potential industry from setting up in the area. The Maritime Provinces Board of Trade, in their excellent brief emphasized that the kind of special transportation they were asking for was not at all unprecedented in Canada. For example, they pointed out the vast St. Lawrence Seaway which operates at a deficit, the fleet of federal icebreakers being used to keep the St. Lawrence open in winter for shipping, at public expense, and the fact that export rates on western grain had been perpetuated at 1897 levels. We note that this type of assistance has been granted to western Canada, and I submit that the Maritimes are entitled to be treated as well as other areas of Canada.

A key point in this brief was that the Atlantic provinces have as much right under confederation to have economic access to the central Canadian market as French Canada has in its claim for a bilingual and bicultural society. In other words, if the central government is committed to spending many millions, or possibly billions of dollars on language facilities and constitutional changes in an effort to hold Canada together, are not we in the Atlantic provinces entitled to financial assistance to develop our industries and to help us remain in confederation? Does Canada stop at the Quebec-New Brunswick border, or is anyone interested in keeping the Atlantic provinces as part of Canada?

I hope that these remarks will do something to convince the government that we in the Atlantic provinces are not simply seeking federal hand-outs. We seek recognition of the many regional problems which have been created by federal government policies, and we seek action which will correct these problems. In other words, the people of the Atlantic provinces who have the basic rights defined in the Maritime Provinces Board of Trade brief are at long last demanding simple justice.

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I am grateful for this opportunity to express my opinion on the matter now before the House.

May I commend the hon. member for Moncton (Mr. Thomas) for introducing this motion which is of particular interest to me, as member for Rimouski, inasmuch as the region of the lower St. Lawrence, including the Gaspé peninsula, has much in common with the Atlantic provinces.

• (4:20 p.m.)

The mover is asking the government to declare a transportation policy for the Atlantic region based upon modern solutions to present and future problems. He also states that the government should:

—introduce, in this session, legislation to implement that policy.

Although I agree with what the mover said, I understand that in the Maritimes, the question of the improvement of the transportation system by road, rail, sea and air must receive special attention from both the federal and provincial governments.

We have the same problem at home in the lower St. Lawrence and Gaspé area where we try, by making all the representations possible at all levels, to get the provincial government, with the help of the federal govern-

ment, through the Department of Regional Economic Expansion, to build once and for all a modern road around the Gaspé peninsula which would enable people not only to travel our region, but also to communicate easily with central Canada.

However, I think it would be good to remind hon. members that in the area of concern to the hon. member for Moncton, this government has already done quite a lot so far and we trust it will pursue this activity. I will mention the history of transportation in the Maritime provinces, that is the national transportation policy, and more specifically the Atlantic transportation policy. There is no need to go back very far. One merely has to remember that in 1967 the federal Minister of Transport had asked the premiers of the four Maritime provinces to express their views concerning transportation in their respective provinces and to bring these views to the attention of the federal government.

In my opinion, this, to start with, is at least evidence of the good intentions of the federal government and I appreciate this method since this government is giving not only the premiers but also the taxpayers of the Maritimes provinces through their premiers, the opportunity to state readily and with authority what they actually want.

In 1969, the premiers submitted a joint report and that very same year the Atlantic Region Freight Assistance Act was passed by Parliament.

The act included several principles brought forward by the Atlantic region's first ministers. That is why a federal-provincial commission to deal exclusively with Atlantic region transportation was implemented.

The commission has since remained active, carrying out the responsibilities conferred upon it and the Maritime Freight Rates Act, based on its recommendations, produced good results by way of rail transportation subsidies, later extended to road transportation.

An over-all look at national transportation policy inevitably brings to mind the 1967 National Transportation Act which, as I understand it, is based on the principle that to the extent possible transportation organizations in Canada should be able to avail themselves of certain rates in order to finance their operations.

This policy is, so to speak, meant to be an incentive for transportation companies to meet public demand, not only for quantity but also for quality of transportation in the areas involved. In this way, it is to be hoped that those organizations will be able to ensure in the long run the best health possible, if I may use the word, to our national transportation system.

As for a transport policy for the Atlantic region, it is obvious that there must be very close links between the national and regional policies.

The latter can only be an extension of the former and must be based on the same principles, but only when and where the national policy is applicable, bearing in mind regional conditions.

In the report they submitted in 1969, the premiers of the Atlantic provinces stated that they supported a general national policy but that, on the other hand—as the hon. member for Moncton said a moment ago, and I agree with him—in the Atlantic provinces, because of a general lack of facilities and material and owing to light traffic and great distances between towns, it was difficult to fully apply the economic principle outlined in the National Transportation Act. The member for Moncton agrees with the premiers when he discusses a transport policy based on modern solutions to present and future problems.

The goal seems to be to modify the national transportation policy for the Atlantic region so that transportation would serve as an instrument for stimulating economic growth in our areas. According to certain statistics that I will not quote, economists may say that the Atlantic provinces, as a region, are not neglected and this is generally true if we consider current federal spending in respect of transportation particularly. The Fifth Annual Review of the Economic Council of Canada indicated that the four Atlantic provinces received more per capita in 1964-65, in respect of federal spending on transportation, than any other economic region of Canada.

It seems that the Atlantic region has somewhat more transportation facilities than would be justified by the importance of the market, if we take into account the general principle spelled out in the National Transportation Act. In spite of that, this region has so far failed to obviate this handicap, when we consider the enormous distances which separate it from central Canada markets. It prevented it from developing its economy as much as it wanted to. Finally, some regional analysts proclaim that it was instrumental in the national economic integration, at the expense of the more industrialized regions of central Canada.

We agree that transportation must play an important part in the development of the Maritimes. But even if it is very important, it is not the only instrument in the necessary infrastructure for the development of these areas. It must be part of an overall program of development. Indeed, for the past few years, the citizens of these areas have prepared development programs.

This system must be fully integrated in a comprehensive plan. But if we conceive the transportation policy as separate from the national policy, this could have disadvantages.

Thus, I think that in considering what the government has done so far, as well as the economic general principle on which the national transportation policy is based, considering what has been done up to now with regard to the transportation policy in the Maritimes, we think that we should continue to ask the federal government and other governments to modernize increasingly the means of transportation in the Maritimes consistently with the development in other fields. However, we must always avoid what we often call "balkanization". It is good to think in regional terms but we must also do so in Canadian terms and draw up plans for the general progress and development of our country.

However, I am pleased to have heard the hon. member for Moncton who is greatly interested in transportation

in his area and as for myself, as a member for a neighbouring area adjacent to the Maritime provinces, I congratulate him for having expressed his views and those of the citizens of my area. I remind the Minister of Transport (Mr. Jamieson) and the Minister of Regional Economic Expansion (Mr. Marchand) that the Lower St. Lawrence area and the Gaspé peninsula have approximately the same problems as the Maritime provinces. Those problems should not be left to experts who, despite their high qualifications, live far from us. It would be preferable to listen to our people who have their own way of expressing themselves and who know what they want as far as transportation is concerned.

• (4:30 p.m.)

[*English*]

Mr. Herb Breau (Gloucester): Mr. Speaker, I take pleasure in speaking in this debate on the motion put forward by the hon. member for Moncton (Mr. Thomas). I shall be brief. I know the hon. member for Dartmouth-Halifax East (Mr. Forrestall) wishes to speak, and I thank him for yielding the floor to me because I have to leave soon.

The hon. member's motion is a positive one. He talks about a comprehensive policy for transportation in the Atlantic provinces. He talks about modern solutions to present and future problems, and he proposes that the government should introduce legislation this session to implement an Atlantic transportation policy. It is not very clear to me whether he is suggesting there should be a study of Atlantic transportation separate from any studies of a national transportation policy. Like the hon. member and others in his party, I want transportation policies in this country which will benefit the Maritimes, because I believe that if Canada is to remain a federal state, if it is to remain one country, certain regional considerations must be borne in mind.

For example, the Maritime Freight Rates Act seems to be a constitutional concession to the Maritimes. I think it is evident that Parliament has in the past accorded preferential treatment to the Maritimes in the field of transportation. This had to be the case. While a national transportation policy might be good from a national point of view, and while the philosophy of encouraging competition might be a good way of ensuring an efficient transportation system over a large area, it could be most detrimental to regional effort and to the Atlantic provinces in particular.

The hon. member for Moncton complained that his representations were falling on deaf ears. I do not think they are. Some action has been taken both by this government and by former governments to assist transportation in the Maritimes in different ways. After all, transportation does not consist only of rail freight and passenger services. It involves an infrastructure. In my constituency, in my part of New Brunswick, I would say that priority in transportation centres on the building of roads; I would place this before improvements in passenger services by air or by plane or the lowering of freight rates. Unless we can travel over good, all-weather highways our region cannot compete with other parts of Canada nor, for that matter, with other parts of the Maritimes. We have to consider government action in this light and not only as it affects freight rates.

On the subject of freight rates, I too at times deplore increases in those rates. I would like everything to go down.

An hon. Member: What about indemnities?

Mr. Breau: I did not hear that remark, but since it came from a west coast member I will not listen to it.

Some hon. Members: Shame.

Mr. Breau: I am thinking only in terms of Atlantic transportation policy. If there are freight rate increases, it does not mean that the government does not wish to help the Maritimes in the transportation field. We have seen actions by this government in the last few years which have been of help to the Maritimes; for example, the Atlantic Region Freight Assistance Act which provided assistance to truckers within the select territory and leaving this area. While this action may not have reduced freight rates or trucking rates, it is a fact that now some goods may be transmitted more cheaply by truck; trucks are now in a position to compete more favourably, on a selective basis, in the transportation of goods provided a certain volume is available or if other stipulations are met. The fact that trucking rates have not risen leaves me with the impression that increases may have been averted, because it has been a traditional pattern in the Maritimes for trucking rates to increase soon after railway freight rates are increased.

I do not have the figures before me to prove this contention, but I believe the Atlantic provinces have received more assistance per capita from the federal government toward the establishment of transportation infrastructure than any other region of Canada. I would cite the fifth annual report of the Economic Council which indicates that the four Atlantic provinces received a larger per capita share of federal transportation expenditures since 1964-65 than any other region. So there has been some action.

What has happened is that a lot of the investment in infrastructure through the Atlantic Region Freight Assistance Act, and so on has not necessarily helped only the Atlantic provinces. There is a great deal of travel and migration from the Atlantic provinces to Toronto and Montreal. It may be cheaper now to bring products to Montreal, but it has also increased the incentive for Montreal companies to sell products in the Maritimes. Investors from the west coast can now come to the Atlantic provinces and compete at every level. Whilst this helps us, it also has the effect of giving a boost to anyone in central Canada who wants to go to the Maritimes to sell, manufacture or take over businesses there.

• (4:40 p.m.)

We have not been hit as hard by the CNR in the reduction of passenger train services. The Atlantic region receives a $1 million subsidy for air service, although I think this includes Labrador. This subsidy is given to Quebec Air and EPA to help promote their routes. Par-

liament has taken this action through the CTC to help transportation in the Atlantic provinces. The hon. member for Moncton mentioned the phasing out of subsidies; he says he does not want hand-outs. Nor do I. But I want subsidies to help us obtain business and find new markets, though I do not want them to remain forever.

I am a Canadian and I do not want to see the MFRA and ARFA go on forever. I hope they can be phased out. But we have to be careful not to reduce them at the wrong time. We cannot have it both ways, saying we don't want handouts and we don't want subsidies to be phased out. Let's not fool ourselves, though—we cannot expect the national treasury to subsidize the Maritimes forever. I appreciate the efforts of this and former governments in regional development, be they with respect to infrastructure or job creation, but I hope the Maritimes will not always require this type of assistance. The new premier of Nova Scotia seems to think that in the near future the province will not be receiving equalization grants. I think this is a good sign. I hope to see the day when my province will not need equalization payments, MFRA or ARFA, because we will be self-sustaining and competitive.

I thank the hon. member for Moncton and congratulate him for raising this question. I know the hon. member for Dartmouth-Halifax East wishes to speak on the motion. I think it is a good motion and is consistent with what this government has been trying to do. It is good to use modern approaches, but we must recognize the problems. As I said, we cannot have it both ways. When we look for assistance for the Maritimes, we must make sure that it does not help central Canada to exploit us more. It must be selective and it must help maritime investors develop the area.

I am sure we will have contributions from west coast members from both sides of the House. I think my remark of a short while ago may have been taken the wrong way. It was not intended to give the impression that I do not like to hear their views; I am always ready to listen to their advice.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, if I had the art of talking with tongue in cheek I would say that I was astonished that the hon. member for Moncton (Mr. Thomas) felt it necessary to put this notice of motion on the order paper, calling for the establishment of a transportation policy for the Atlantic region. I recall very well how that knight in shining armour from the Atlantic region, the former member for Bonavista-Twillingate—at that time Minister of Transport—with great verve brought into this House a new national transportation act. We were to have a brave new world of transportation in Canada. It was to bring to an end all the problems of transportation that had beset us since confederation.

Mr. Knowles (Winnipeg North Centre): With him as president!

Mr. Barnett: The strange part is, Mr. Speaker, that since his departure from this chamber we seem to have heard less and less about this brave new world and the millenium. In fact, I find myself wondering whether he wore himself out in his rhetorical efforts when piloting the bill through, with its flowery preamble, so that when he got into the ivory tower of the Canadian Transport Commission he had to spend his time recovering.

Be that as it may, Mr. Speaker, I rise to indicate support and sympathy for the sentiments expressed in the motion and by members from that part of the country who have supported it in this House. However, I think it would have been even more appropriate if the mover of the motion had left out the phrase "for the Atlantic region" and suggested that the government should immediately declare a transportation policy based upon modern solutions. This would put us back where we were when the former Minister of Transport moved second reading of the new transportation act and we could once again engage in a vigorous and, at times, inspiring debate such as we had then.

• (4:50 p.m.)

I am not saying this because I am unaware of the transportation problem. As far as British Columbia is concerned, I sometimes think that the national transportation policy for that province began and ended 100 years ago when we entered confederation on the basis of the railway being built to the Pacific coast. Since then we have been as much on the fringe of things as the Atlantic region. I might say there is in this regard a particular point to be made by a member representing a constituency on Vancouver Island. Unfortunately, we jumped rather prematurely at a proposition which seemed enticing to the people of the area at the time. I understand the same question is now under some consideration in the Atlantic provinces. I refer to the formation of a union. I have often thought what a difference there might have been in federal action in respect of transportation had the Crown colony of Vancouver Island not joined the Crown colony of British Columbia prior to 1871, when we joined the rest of the union that is now called Canada.

When I said the original commitment related to ownership more or less, the fact is that the commitment which was understood at the time to involve the building of a railway line to Esquimalt at the southern end of Vancouver Island is one which has not yet been fulfilled. That, of course, is an area of debate which comes up from time to time in the part of Canada from which I come. It is also one which is illustrative of the fact that to many of us, whether we come from the Atlantic coast or the Pacific coast, much still needs to be done before we will be satisfied that we have what the motion refers to as a transportation policy based on modern solutions. Mr. Speaker, with those few comments I will yield the floor to any hon. member who may wish to comment on the resolution.

Mr. Speaker: The hon. member for Dartmouth-Halifax East (Mr. Forrestall).

Mr. Mahoney: Mr. Speaker, the hon. member for Dartmouth-Halifax East (Mr. Forrestall) very courteously yielded the floor to the hon. member for Gloucester (Mr. Breau) who has a local interest in this motion and had to

catch a train. Therefore, I wonder whether Your Honour might be induced not to see the clock until after five o'clock in order to give the hon. member a decent opportunity to make his remarks.

Some hon. Members: Agreed.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I am overwhelmed by the generosity of the House, but I do not think I shall keep hon. gentlemen very long after five o'clock. In discussing the motion of the hon. member for Moncton (Mr. Thomas) I should like to touch briefly on the question of Canada's regional air policy. I am tempted at times to refer to it as the "appearance" of a regional air policy, but that is not really true. It is a policy which is constantly under review, but unfortunately is one which has not been presented to us in this chamber or in committee for an extended period of review and examination.

This afternoon we have heard quite a bit about the difficulties of regional transportation. The difficulty in the Maritime provinces, of course, is that we do not have the marketing centre that is required in order for industries to be established and by means of which they may survive. No matter what is done, this will always be a fact until we have within our region a centre comprising 500,000 or 600,000 people. Until that day comes, the proposition put forward by certain hon. members will not be possible of achievement. We all agree that at some point subsidies, and so on, should come to an end. But I suggest this is not something which can be determined by the degree to which we are aware of the need to bring these policies to an end. There are physical matters involved which have to do with our ability to market and sell our produce.

In respect of air transportation there was completed recently in the Maritimes a fairly extensive document entitled "Atlantic Provinces Air Transportation Study." This study has to do with the future of airport facilities, transportation by air, and so on, in our region. In the past 18 months or so there has been a very definite change in the approach to air transportation problems by the national carrier, Air Canada. We have seen an attempt to get on with the job of integrating into their system the principal regional carrier in the Atlantic provinces, Eastern Provincial Airways. We have seen the tendency to reduce Air Canada establishments at some of the smaller airports in Newfoundland, in Nova Scotia and in New Brunswick.

In the Atlantic provinces—I wish I had time to properly develop this theme because it is very important—there is a fear on the part of both personal and commercial users of aircraft that within the next two or three years Air Canada will end up with only two centres in the Atlantic provinces, one at St. John's, Newfoundland, and one in Halifax, with the next point in the national transportation system being where I suppose the system really begins, Montreal. This is the question I would develop if I had a few more minutes. I would have liked to express the fears about the problems created when Air Canada withdrew from centres such as Gander, Stephensville, Moncton, Saint John and Fredericton in the frequency, level of service, and so on.

Mr. Bell: They will run it into the ground first.

Mr. Forrestall: This is partly what I am afraid of. I am afraid that until we have in front of us a concrete proposal from the Department of Transport in respect of the intentions of the government and its guidelines for phasing out the national carriers' responsibilities in respect of what might be called feeder centres, we will face a very serious difficulty in the Atlantic provinces. We need those policies before this elected body so that they might be viewed from the point of view of what I consider to be the true purpose of the national carrier, that is, that it should exist where we want it to exist and not necessarily where it is economically feasible.

In considering the motion before us this afternoon, I hope the minister will demonstrate a sense of urgency in respect of the problem that faces users of the national air carrier, not only in the Atlantic region but in other regions of Canada where there is a very clear indication that the national carrier intends to get out of the shorter routes and into the longer routes. There is the question of whether we will have a modern and efficient system such as we have had from Air Canada, when we are served by the feeder lines which will take their place. If we continue this policy much longer, I am afraid that the confusion, the fear and the downgrading of service will result in an undesirable situation with respect to air traffic in the Atlantic provinces.

• (5:00 p.m.)

Thank you, Mr. Speaker, for your indulgence in letting me continue for a minute or two beyond the time of adjournment.

The Acting Speaker (Mr. Richard): Order, please. The hour provided for private members' business has now expired. It being five o'clock, this House stands adjourned until Monday next at 2 p.m., pursuant to Standing Order 2(1).

I thank all hon. members who took part in this Friday's debate for their co-operation with the Chair. I wish all hon. members a pleasant weekend. My "thought for today" is that we are fortunate indeed and should thank the Lord that we are alive to share once more nature's transformation. I wish you energy and blessings in the new season.

At 5.05 p.m. the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, March 29, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

BROADCASTING

CABLE TELEVISION—TABLING OF DOCUMENT ON TECHNICAL STANDARDS AND PROCEDURES

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, pursuant to Standing Order 41 (2) I wish to table copies in both official languages of a document concerning technical standards and procedures for cable television—CATV—which will ensure higher standards of quality for cable television subscribers.

* * *

COMMUNICATIONS

ANNOUNCEMENT OF AGREEMENT BETWEEN CANADIAN OVERSEAS TELECOMMUNICATION CORPORATION AND BRITISH POST OFFICE ON CONSTRUCTION OF NEW TRANSATLANTIC CABLE

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, it gives me pleasure to announce to the House the conclusion of an agreement between officials of the Canadian Overseas Telecommunication Corporation and Post Office authorities in the United Kingdom to build a new high capacity transatlantic cable.

The decision to build a new cable, CANTAT-2, is based on projections of a 20 per cent per annum growth in the market for transatlantic circuits during the next 15 years. This is expected to bring the Canadian demand to a level around 4,600 circuits by 1985. A dynamic element in this pattern of growth has been the increase in direct dialing between countries on both sides of the Atlantic.

This bilateral project in which the Canadian investment will be of the order of $37 million will provide 1,840 new telephone circuits on the North Atlantic route between Canada, Britain and Europe. As an indication of the size of this project it should be noted that CANTAT-2 will have 400 more circuits than all existing transatlantic cables, whether they originate in this country or in the United States. Cost of the project will be shared equally by COTC and the British Post Office.

The new high-capacity cable which will link Canada, through a point in Nova Scotia, to Europe at a point in Cornwall is expected to be ready for service early in 1974. This new facility will be added to existing satellite and cable circuits used by COTC to provide reliable and economical telecommunications between Canada and Europe. This project, which has involved months of negotiations between COTC, officials of the Department of Industry, Trade and Commerce and the Department of Communications, and their British counterparts, involves several significant advantages for Canada.

• (2:10 p.m.)

Among these numerous advantages are the following. This arrangement provides an alternate commercial route to the transatlantic circuits provided by Intelsat, the international consortium in which COTC is also a shareholder. It provides technological diversity which means greater security for our transatlantic communications links. It provides a system that is compatible with the domestic communications system to be operated by Telesat Canada. It assures that Canadian systems will continue to serve as the main route for transpacific Commonwealth traffic. The new cable, therefore, will provide Canadians with more flexibility and reliability in their telecommunications links with Europe.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I regret the absence of my hon. friend and colleague, the hon. member for Brandon-Souris (Mr. Dinsdale), though it gives me satisfaction to comment upon a statement from the Minister of Communications (Mr. Kierans) which bears some of the imprint and impact of being good news. His statement deals with one of the few areas of his extended domain which generally has been successfully operated, namely, the Canadian Overseas Telecommunication Corporation, and to that extent I am very pleased with this new development.

I was interested in a general way to note that the agreement was not made available to us, and obviously this statement is a very general and superficial, and perhaps generous, appraisal of the agreement. One is impressed by the fact that we need more cables, and one is reminded that we have not so completely moved into the era of the satellite as was sometimes predicted in the excitement of a few years ago.

I look forward to receiving further details of this important project. If it allows us to maintain closer contact with other parts of the world in this advancing age of technology, it is something which we welcome. I should like to say that generally I have confidence in the capacity of the COTC to represent Canadian interests in this regard.

I notice that it is intended to integrate, as it must be, this system of cable with the Telesat operation. This is a very important and very costly project which it seems will be much later getting into operation, and at much greater cost, than the minister used to predict. Nevertheless we do feel some satisfaction from the fact that a definite step has been taken in this way to improve our contact with other parts of the world.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, we in the New Democratic Party welcome the minister's

statement on the agreement reached between the United Kingdom and Canada to build a new transatlantic telecommunications cable. I can only echo the words of the previous speaker in saying that rapid communications are vital for our country in the modern world if we are to provide for the kind of growth that we anticipate will be essential. From this point of view we are pleased with the announcement.

We are also very pleased to see that this vital link between Canada and Europe is to be handled by public companies largely the COTC in Canada and the Post Office in Britain. We are pleased that the government has not seen fit to shuffle part of the responsibility for this on to the private carriers; this is in contrast to what has happened in the case of Telesat.

I think it is important to say, Mr. Speaker, that it is vital in this modern world for us to have available a variety of modern communications media in order to provide for alternatives and for better security and flexibility. Canada's ability to be in charge of the messages sent from this country is something we should guard very carefully.

I notice that this cable is to be integrated with Telesat as part of the modern communications system outlined by the minister over the past few years. If I may here make an oblique reference to Telesat, it is important for us to be able to communicate around the world and with the northern part of our country. But even more important than the fact that we are able to communicate is what we communicate. Our efforts to bring television to the north I hope will result in something better than the dreary, foreign imported pop culture that we get on television networks to the south. I hope that the agreement just concluded will reach fruition by 1974. That is the statement I wish to present on behalf of this party.

[*Translation*]

Mr. René Matte (Champlain): Mr. Speaker, we hope that the construction of this new cable will bring to Canada the benefits anticipated by the minister.

[*English*]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

WAR MEASURES ACT—ARREST OF FORMER MEMBERS OF CYC

Question No. 369—**Mr. Coates:**

Were any of the individuals arrested under the War Measures Act formerly members of the Company of Young Canadians and, if so (a) what are the names of these individuals (b) for what period of time were they members of the Company of Young Canadians (c) have they been released since their arrest or are they still being held and, if so (i) what are the names of the individuals being held (ii) have any charges been laid against them and, if so, what are the charges in each instance?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Department of the Solicitor General and the Company of Young Canadians advise as follows: Yes, nine individuals were arrested under the War Measures Act, as of November 5, 1970. (a) It is not in the public interest to release the names of those persons arrested and then released, without being charged under the War Measures Act. (b) It is not in the public interest to divulge such information since it would provide the names of persons arrested and then released (c) Eight were released. (i) Jacques Larue-Langlois. Mr. Larue-Langlois was a member of the Company of Young Canadians from May 22, 1969 to August 22, 1969. (ii) Section 4(a) War Measures Act; Section 62(c) Criminal Code of Canada; Section 231(1) (a) Criminal Code of Canada.

GOVERNMENT PRINTING—QUEBEC CITY

Question No. 594—**Mr. Lambert (Bellechasse):**

Does the government have some of its printing done in Quebec City plants and, if so (a) are tenders called (b) in what printing plants has the government had work done?

[*Translation*]

Hon. James Richardson (Minister of Supply and Services): Yes, the Department of Supply and Services has printing done in plants situated in or near Quebec City. (a) Yes. (b) While departmental statistics are not yet structured so as to provide readily complete information on the geographical distribution of contracts, a sampling of files discloses that contracts have been awarded to Imprimerie Stellar Inc., Ratté & Frère Enr.; J. M. Bégin; Imprimerie Laflamme Ltée. and Les Ateliers Optima Inc.

[*English*]

COMPULSORY BILINGUAL LABELLING OF CONSUMER PRODUCTS

Question No. 664—**Mr. Fortin:**

1. Is there a law or regulation for the better protection of the consumer under which it is compulsory to have bilingual (French and English) labels, and (a) if so, what is the regulation (b) if not, is it the intention of the government to pass such a regulation?

2. Have there been any discussions with Quebec representatives concerning bilingual labels and, if so (a) on what date (b) with what result?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): 1. Labelling regulations issued under the authority of the Hazardous Products Act require that mandatory cautionary labelling be in both the English and the French languages. Provision for mandatory bilingual labelling will be included in regulations to be drawn up under the Consumer Packaging and Labelling Bill now before Parliament.

2. Meetings and discussions have taken place between representatives of the Government of Quebec and federal government representatives concerning bilingual labelling. Many of these discussions have been of an informal nature involving telephone conversations and it is not possible to enumerate all the dates on which discussions have occurred. These discussions have resulted in a better understanding of the intentions of the respective

governments with regard to the labelling of prepackaged consumer products. The Quebec authorities have indicated their satisfaction with the federal government's policy statement on bilingual labelling and have urged its early implementation.

POLYMER CORPORATION

Question No. 711—**Mr. Fortin:**

1. Has the government instructed Polymer Corporation to liquidate its shares in Sentrachem Ltd. and, if so, when were these instructions given and what were they?

2. Are the minutes of the meetings of the Board of Directors of Polymer Corporation transmitted to the government?

3. How many meetings were held by the Board of Directors during each of the past three years?

[*Translation*]

Hon. James Richardson (Minister of Supply and Services): 1. See answer to question No. 59 shown at page 2250 of *Hansard*, January 11, 1971.

2. Yes. Copies of the Minutes of all meetings of the Polymer Board of Directors are sent to the Minister of Supply and Services.

3. The number of meetings of the Board of Directors held during the last three calendar years was as follows: 1968, ten; 1969, eleven; 1970, eleven.

[*English*]

HEALTH AND WELFARE—AMOUNT PAID TO PROVINCES UNDER CANADA ASSISTANCE ACT

Question No. 724—**Mr. Orlikow:**

How much money does the Department of National Health and Welfare expect will be paid to each province in 1971 under the provisions of the Canada Assistance Plan and, of this, how much will be for welfare assistance?

Hon. John C. Munro (Minister of National Health and Welfare):

Province	Total Estimate Fiscal Year 1971-72 ($ 000's)	Estimate for General Welfare Assistance Fiscal Year 1971-72 ($ 000's)
Newfoundland	$ 24,415	$ 19,075
Prince Edward Island	4,307	1,678
Nova Scotia	19,007	11,643
New Brunswick	18,802	10,450
*Quebec	238,702	140,941
Ontario	198,409	128,700
Manitoba	29,776	23,750
Saskatchewan	23,326	15,400
Alberta	44,110	33,575
British Columbia	71,320	52,000
Northwest Territory	1,375	550
Yukon Territory	1,125	450
Total	$ 674,674	$ 438,212

*Amount payable to Quebec by the Department of Finance under the Established Programs (Interim Arrangements) Act.

Questions

CMHC—15 YEAR MORTGAGES FOR MOBILE HOMES

Question No. 760—**Mr. Alexander:**

Has CMHC agreed to provide 15 year NHA Mortgages for mobile homes and, if so (a) how many individual applications for such mortgages have been approved (b) what is their total value (c) in which communities have they been located?

Hon. Robert K. Andras (Minister without Portfolio): Central Mortgage and Housing Corporation has indicated that it is prepared to make loans repayable over 15 years to finance the purchase of mobile homes. No such loans have yet been made.

CANADIAN ECONOMY—CONTROL BY FEDERAL GOVERNMENT

Question No. 763—**Mr. Robinson:**

What percentage of the Canadian economy can be controlled effectively by the federal government?

Hon. E. J. Benson (Minister of Finance): Federal government policies influence all of the Canadian economy. There are too many variables and unknowns to give a precise answer to this question.

SUBSIDIZATION OF SOCIAL ANIMATORS IN NORTH-WESTERN QUEBEC

Question No. 885—**Mr. Caouette:**

Does the government or any governmental agency subsidize, in any way, social animators in Northwestern Quebec (Abitibi-Témiskaming) in (a) fostering social animation in schools (b) producing the television program "Le Bloc" broadcast Thursday nights on CKRN-TV and, if so (i) what was the amount in each case (ii) what are the names and addresses of each such person (iii) how much money does each receive and on what basis?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): (a) No. (b) The Department of the Secretary of State gave a grant to the *Conseil Economique Régional du Nord-Ouest Québécois* (CERNOQ) for the period from August 1 to March 31, 1970, of which $3,000 was used for the production of six television programs. (i) Each television program cost $500. This included:

Rental	$225
Filming	160
Recording	50
Miscellaneous expenditures	65
	$500

Following is a brief outline of the programs: (1) Christmas Telecast: Customs and traditions relating to the Christmas season which various ethnic groups in North Western Quebec (Italians, Ukrainians, Czechoslovakians, Germans) have maintained.

(2) Val d'Or—Amos Group: Difficulties of adjustment to Quebec society: how immigrants view the problem (rights, interests); how the problem is seen by French Canadians (rights, interests).

(3) Pioneers of North Western Quebec: A French Canadian, a Chinese and an Italian describe early colon-

ization, underlining the fact that racism was almost non-existent at the time.

(4) Youth and Institutions: A group of young people of various ethnic origins give their views of existing institutions; discussion between these young people and Quebec youth.

(5) Indians and North Western Quebec: Guest speaker: Chief Alfred Kistabish of the Amos Reservation.

(6) Cultural Events: Information concerning a programme of cultural events organized once a month by a particular ethnic group; relationship of this program to the general social organization program aimed at ethnic minorities in North Western Quebec.

(ii) I am informed by the Company of Young Canadians that volunteers of the CYC are involved with the communities in producing the television program "Le Bloc". The volunteers are: Stéphane Cloutier, André Dudemaine, Jean Ouellet, Pierrette Cloutier, Michel Lemieux, and Marcel-Yves Bégin. The regional office of the Company of Young Canadians is located at 185, Principale, Rouyn, P.Q.

(iii) Volunteers of the Company of Young Canadians receive an allowance in accordance with CYC policy, in amounts of $270 per month for a single volunteer or $370 per month for a volunteer with dependents, for the duration of their two year contract.

[*English*]

CANADA ASSISTANCE PLAN—ESTIMATE OF PAYMENTS TO PROVINCES, 1971

Question No. 893—**Mr. Orlikow:**

What is the estimate of the cost to the government of payments to each province under the provisions of the Canada Assistance Plan for the year 1971?

Hon. John C. Munro (Minister of National Health and Welfare):

Province	Total Estimate for Fiscal Year 1971-72 ($ 000's)
Newfoundland	$ 24,415
Prince Edward Island	4,307
Nova Scotia	19,007
New Brunswick	18,802
*Quebec	238,702
Ontario	198,409
Manitoba	29,776
Saskatchewan	23,326
Alberta	44,110
British Columbia	71,320
North West Territory	1,375
Yukon Territory	1,125
Total	$674,674

* Amount payable to Quebec by the Department of Finance under the Established Programs (Interim Arrangements) Act.

[Mr. Pelletier.]

CALGARY, ALBERTA—WELFARE RIGHTS ASSOCIATION ORGANIZATION

Question No. 894—**Mr. Schumacher:**

1. Does the government finance a welfare rights association organization in the City of Calgary, Alberta?

2. Does the government contribute financially to a welfare rights association organization or affiliate in the City of Calgary, Alberta and, if so, what is the proper name of such association organization?

3. What is the nature of the financial support?

4. What is the connection between such organization and the operation information centre operating in the City of Calgary?

5. What is the amount of such financial assistance annually?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Yes.

2. The Calgary Welfare Rights Organization.

3. A Demonstration Project grant under the National Welfare Grants program. Duration of the project is expected to be three years.

4. None to our knowledge.

5. $22,290.00 was allocated for the fiscal year 1970-71.

DEPARTMENT OF AGRICULTURE—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 925—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of Agriculture is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Hon. H. A. Olson (Minister of Agriculture): (a) winter works, nil; (b) to reduce unemployment, 44 per cent; (c) underestimating expenditures, 9 per cent; (d) combatting inflationary costs, 6 per cent; (e) new programs 41 per cent; (f) hiring of additional employees, nil.

DEPARTMENT OF NATIONAL HEALTH AND WELFARE—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 926—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of National Health and Welfare is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Hon. John C. Munro (Minister of National Health and Welfare): (a) Nil; (b) nil; (c) 99.3 per cent; (d) .3 per cent; (e) nil; (f) nil.

REPRESENTATIONS RECEIVED CONCERNING ABORTION

Question No. 960—**Mr. Tétrault:**

1. For the period January 1, 1970 to September 30, 1970, how many representations were received by the government, urging the government to retain unmodified or to make even more stringent the existing legal prohibitions against abortion in Canada?

2. How many such representations were received between November 1, 1970 and January 31, 1971?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The government advises as follows:

1. 1,226.

2. 576.

HIGHWAY SAFETY—STATISTICS ON HIGHWAY FATALITIES

Question No. 964—**Mr. Robinson:**

1. To what extent has the number of fatalities on highways been reduced as a result of the recent changes in the Criminal Code regarding driving offences connected with alcohol?

2. How many fatalities occurred on highways for each year 1960 to 1970 inclusive, that were attributable, at least in part, to driving where alcohol was a significant factor?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): In so far as the Dominion Bureau of Statistics is concerned: 1. This information is not available from D.B.S.

2. D.B.S. does not have information as to the number of highway fatalities in which alcohol was a significant factor. However, the following table gives the total number of fatalities for the years 1960 to 1969. Complete data for 1970 are not yet available.

Total Number of Fatalities in Motor Vehicle Traffic Accidents, 1960 to 1969 inclusive.

Year	Fatalities	Year	Fatalities
1960	3283	1965	4902
1961	3426	1966	5281
1962	3883	1967	5429
1963	4210	1968	5318
1964	4652	1969	5425

CBC—COVERAGE OF MEETING IN TORONTO CONCERNING ARMS SALES TO SOUTH AFRICA

Question No. 980—**Mr. Robinson:**

1. What was the cost to the government to have CBC cover the meeting in Toronto held at 252 Bloor Street, on Monday, December 14, 1970, regarding arms sales to South Africa?

2. Was Professor D. Anglin expressing the policy of the federal government at the meeting?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Canadian Broadcasting Corporation and the Department of External Affairs advise as follows: 1. The meeting referred to was attended by a CBC reporter from the Radio News department in Toronto. The cost was minimal since only one man was assigned to cover the meeting.

2. No. Professor Anglin is not an employee of the federal government and was not speaking for the Government at the meeting in question.

FEDERAL ASSISTANCE TO INDUSTRIES FOR VOCATIONAL TRAINING PROGRAMS

Question No. 988—**Mr. Caouette:**

During each year 1967-68, 1968-69 and 1969-70, has the government made grants to industries for vocational training programs and, if so (a) which industries received grants (b) what amounts were paid to each?

[*Translation*]

Hon. Otto E. Lang (Minister of Manpower and Immigration): The Government of Canada does not make grants to industry for vocational training programs. However, under the Adult Occupational Training Act, the Minister of Manpower and Immigration may enter into a contract with any employer operating or undertaking to operate an occupational training course for the training of adults employed by the employer to provide for the payment of costs incurred in conducting the occupational training course.

TRAINING-IN-INDUSTRY CONTRACTS BY INDUSTRIES FISCAL YEARS

(a) Industries[1]	1967-68 ($000)	1968-69 ($000)	(b) 1969-70 ($000)
Agriculture	2	96	78
Forestry	17	83	114
Fishing and Trapping	1	61	85
Mines, Quarries and Oil Wells	42	605	762
Manufacturing Industries	654	3,432	5,486
Construction Industry	44	26	62
Transportation Communication and Other Utilities	211	905	1,029
Trade	3	22	95
Finance, Insurance and Real Estate	17	40	121
Community, Business and Personal Service Industries	29	210	341
Public Administration and Defence	6	46	135
TOTAL	1,026	5,526	8,308

[1] Industries according to the major divisions of the Standard Industrial Classification 1960.

[*English*]

PUBLIC SERVICE COMMISSION COMPETITION NO. 71-3660—RESIDENCE QUALIFICATIONS

Question No. 1,019—**Mr. Coates:**

Has the Public Service Commission Competition No. 71-3660 specified that applicants for positions with the Canadian International Development Agency Planning Branch should be residents of Ontario or Quebec and, if so, for what reason?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: The Public Service Commission issued a poster on January 4, 1971, restricting the area of competition to residents of the Provinces of Ontario and Quebec. Recognizing that the residence restriction was not appropriate, the Commission issued a revised poster on January 26, 1971, opening the competition to all residents of Canada.

[*English*]

ARMED FORCES—EXCEPTIONS TO RECENT PAY INCREASE

Question No. 1,056—**Mr. Forrestall:**

In what pay fields of the Armed Forces are those who do not get the recent pay increase?

Questions

Hon. Donald S. Macdonald (Minister of National Defence): The October 1, 1970, pay increase provided upward revisions to all rates of pay (see QR&O, Chapter 204). Tradesmen on vested rates of pay, due to compulsory remustering to a lower pay field, did not receive an increase if their vested rate exceeded the new rate.

CYC—EMPLOYMENT OF MEMBERS AT MAISON DU PÊCHEUR, PERCÉ

Question No. 1,063—**Mr. Rondeau:**

1. Was any money paid by the Company of Young Canadians for the *Maison du Pêcheur in Percé* and, if so, what amount?

2. How many members of CYC have worked and are now working in the *Maison du Pêcheur* in Percé?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Company of Young Canadians as follows:
1. No.

2. None.

[*English*]

AGRICULTURE—RESEARCH INTO PROCESSING OF NEW TYPES OF SEED PRODUCTS

Question No. 1,087—**Mr. Yewchuk:**

1. How much money has the Research Branch of the Department of Agriculture spent from 1961 to 1970 in its attempt to find new ways to process Canada's various seeds which could be used in (a) drugs for medical usages (b) health food products (c) beauty products (d) varnishes and paints (e) wines and liqueurs?

2. Which seeds were used in each of the abovementioned cases?

3. Which manufactured seed products did the government export for the period 1965-70?

4. Which private firms co-operated with the Research Branch of the Department of Agriculture in the attempt to manufacture new types of seed products?

Hon. H. A. Olson (Minister of Agriculture): 1. (a) Nil. (b) Lupine flour, a low methiomine flour for diets of Homocystenuric children. Tested by Toronto Hospital for Sick Children and found to provide variety in their normally restricted diet. Soya milk, a product with potential for (a) overseas export and (b) people allergic to milk fat. Over-all expenditure, $10,000. (c) Nil. (d) Nil. (e) Nil.

2. Lupine and soybean.

3. Currently nil in context of 1 above, but soya milk of current interest to CARE and Canadian Hunger Foundation. An experimental shipment of 5,000 pounds is being made to India in June, 1971.

4. None.

SMOKING AND HEALTH SURVEY

Question No. 1,113—**Mr. Mather:**

Has a survey been conducted in Canada similar to that performed in the United States by the Centre for Smoking and Health involving thousands of families with statistics covering several years and, if so, is consideration being given to making the survey public?

[Mr. Forrestall.]

Hon. John C. Munro (Minister of National Health and Welfare): The answer to both parts of this inquiry is, yes.

DEPARTMENT OF PUBLIC WORKS—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,115—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Public Works (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. Arthur Laing (Minister of Public Works): The Department of Public Works derives no income as such, from its computer services. The purpose of these services is to assist in the more effective and efficient management of the operations of the Department.

*MANPOWER—STUDY OF EMPLOYMENT OF UNIVERSITY STUDENTS

Question No. 1,122—**Mr. Nystrom:** Supplementary:

1. Was a survey study of employment of university students released by the Department of Manpower and Immigration on February 4, 1971 and, if so, was any consideration given to the inclusion in the study of students who did not return to university because they were unable to find summer employment?

2. Was there any indication that any of the students, who were unsuccessful in seeking employment, stated they had not sought employment?

3. What was the population of students in accredited universities in the academic year 1969-1970?

4. Was the survey based on oral or written questions?

5. What was the response rate?

6. Would the government be prepared to Table the questionnaire and an outline of the method used?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. Preliminary results of a study of the employment of post-secondary students in the summer of 1970 were released by the Department of Manpower and Immigration on February 4, 1971. The survey was carried out at the time students registered for classes in the fall. Because of the method used, the survey did not include students who, for one reason or another, including their inability to find summer employment, did not return or proceed to post-secondary education.

2. The survey established that all but 10 per cent of the students had sought paid work. Of the 90 per cent who sought work, 89 per cent found employment some time during the summer.

3. The population of students in universities in 1969/70 is according to the Dominion Bureau of Statistics as 299,889.

4. The survey was based on written questions.

5. The survey was completed by approximately 17,000 students at 54 universities, community colleges and teachers colleges across Canada. It was based on a scientifically selected sample, within which the response rate averaged 75 per cent.

6. A full report of the survey including an outline of the method used and a copy of the questionnaire, will be ready in a few weeks time.

CALGARY, ALBERTA—COST OF BANK OF CANADA BUILDING

Question No. 1,167—**Mr. Woolliams:**

1. What did the lot, upon which the Bank of Canada building in Calgary was constructed, cost?

2. (a) What was the total cost of the building (b) how much per square foot did the building cost (c) what contractors built the building?

Hon. E. J. Benson (Minister of Finance): It has not been the practice nor is it considered appropriate to answer questions regarding the internal administration of the Bank of Canada.

FARM CREDIT CORPORATION—ARREARS OF PAYMENTS

Question No. 1,168—**Mr. Thomson:**

With reference to the answer to Question Number 1,006 at page 4036 of *Hansard*, March 8, 1971, what is the breakdown of the percentage of arrears by province?

Hon. H. A. Olson (Minister of Agriculture): The Farm Credit Corporation advises as follows:

	1966-67 %	1967-68 %	1968-69 %	1969-70 %
British Columbia	11.2	11.1	14.0	15.5
Alberta	11.7	11.5	13.5	19.3
Saskatchewan	2.5	4.1	6.4	11.6
Manitoba	2.8	3.7	7.2	14.0
Ontario	5.2	5.8	6.5	7.8
Quebec	3.2	2.7	2.6	3.8
New Brunswick	6.9	3.8	4.9	4.9
Nova Scotia	8.8	10.8	10.0	10.2
Prince Edward Island	8.0	9.4	12.7	11.3
Newfoundland	0.3	3.5	4.3	7.8

* * *

QUESTION PASSED AS ORDER FOR RETURN

PROJECTS PLANNED BY INFORMATION CANADA

Question No. 708—**Mr. Mather:**

1. What projects were (a) planned (b) underway (c) completed by Information Canada as of December 15, 1970?

2. What is the budget or total expenditure in each case?

3. Which of the above projects have as a goal the promotion of Canadian unity?

Return tabled.

MOTION TO ADJOURN UNDER S.O. 26

LABOUR RELATIONS

DELAY IN NEGOTIATIONS BETWEEN LOCOMOTIVE ENGINEERS AND RAILWAYS—INTERRUPTION OF RAIL SERVICE

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I ask leave, seconded by the hon. member for Fraser Valley West (Mr. Rose), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the interruption of rail service on the Canadian National and Canadian Pacific caused by unwarranted delays in the negotiations between the Brotherhood of Locomotive Engineers and the railways, the four-month delay before a conciliation board was appointed by the Minister of Labour, the six-month delay before the said board made its report, and the failure of the board to make recommendations on all but two of the more than 20 issues referred to it, and the urgent need to seek an immediate settlement of the dispute in view of the serious effects on the economy of a railway strike affecting the movement of grains, perishables, minerals and other products.

Mr. Speaker: The hon. member for Moose Jaw has given the Chair the notice required under Standing Order 26. Without going into the details of the form of the notice given, I think I should indicate to the hon. member for Moose Jaw that both the notice as given to the Chair and the statement as presented by the hon. member to the House might perhaps be considered as going somewhat beyond the very limited terms of reference allowed to the hon. member by the terms of Standing Order 26, which invites an hon. member to merely state what the matter is that he wishes to be considered by the House. In any event, I can assure the hon. member that I have given the matter very serious consideration.

• (2:20 p.m.)

It is obvious to the House, I am sure, that the hon. member has raised a very important matter which conceivably might require further consideration at some time in the future. After carefully perusing the hon. member's motion, I should like to suggest that the events referred to are in the nature of a developing situation in that the two parties are still, as I understand it, discussing the issue. I do not feel that the Chair can assume that these negotiations are in such a state as to require a debate in the House at the present time under the provisions of Standing Order 26. It should also be observed that if leave were granted to allow a debate under Standing Order 26 at this time, under our rules it would be impossible for the hon. member, or any other hon. member, to raise this issue again during the current session under the terms of Standing Order 26.

Bearing all these considerations in mind, I feel that the motion proposed should not be allowed at this time.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

INVESTIGATION OF CANADIAN PULP AND PAPER COMPANIES BY UNITED STATES DEPARTMENT OF JUSTICE—ESTABLISHMENT OF INTERNATIONAL GUIDELINES

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State for

External Affairs. I apologize for it being a little complicated. Was the government aware that several Canadian pulp and paper companies were under investigation for 18 months by the anti-trust division of the United States Department of Justice for practices which are perfectly legal in Canada and that during the investigation documents were removed from United States affiliates of the Canadian companies so that the Department of Justice could pursue its investigation?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I am not as well acquainted with the details which have been put forward by the hon. member as perhaps I might be. But I would point out to him there are in existence arrangements between Canada and the United States for exchanging information with regard to certain aspects of anti-combines and anti-trust activities and pursuant to these there have been limited exchanges between officials on this matter. These discussions did not indicate there had been any infringement of Canadian sovereignty or that the United States courts were exceeding their jurisdiction to the detriment of Canadian nationals.

Mr. Fairweather: Mr. Speaker, in view of the resentment and concern of many Canadians, including Mr. R. M. Fowler, President of the Canadian Pulp and Paper Association, about these activities, does the government intend to convene an international conference which would include, of course, the United States and other governments to establish some working guidelines so that in future there would be established guidelines to deal with any future extra-territorial application of national laws?

Mr. Sharp: Mr. Speaker, if another occasion does not arise before that, this is the sort of matter that is discussed at the meetings of the joint cabinet committee, but there may be an opportunity or a reason to raise this question again before that time.

* * *

FINANCE

ADVERTISEMENT FOR UNITED STATES ECONOMISTS TO FILL DEPARTMENTAL POSITIONS

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, I have a question for the Minister of Finance. Has the minister's department not been able to fill with qualified Canadian personnel positions in the area of budgetary and fiscal planning and five other areas of economic and monetary policy within his department? If so, why is the Canadian government today advertising in *The American Economic Review* and other United States journals for United States economists with United States backgrounds to come to Canada to provide United States economic models for Canadian economic situations?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I was not aware of this particular advertisement. In the Department of Finance we are always looking for very qualified people in the fields of economics and finance in Canada. We are continuously looking for them. We have some of the best in the world and hope to keep the standard up to that level.

Mr. Lundrigan: Mr. Speaker, perhaps the minister would like to put an end to this advertisement. Would he give the Canadians equal status in applying for opportunities in his department and also advertise these positions in Canadian journals?

Mr. Benson: Canadians, of course, have a preferred status in applying for jobs in my department.

* * *

THE CANADIAN ECONOMY

FOREIGN OWNERSHIP—DISCUSSIONS WITH UNITED STATES

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Secretary of State for External Affairs. Can he tell us if the Canadian government has received an invitation from the government of the United States to discuss the question of United States investment in Canada from the point of view of the rising feeling of Canadian economic nationalism in our country today?

Hon. Mitchell Sharp (Secretary of State for External Affairs): We have, of course, been discussing with our counterparts in the United States government the question of foreign ownership. The U.S. government indicated to us some time ago that they hoped that before we made any changes in our policy with respect to foreign ownership which would affect them particularly there would be an opportunity for consultation.

Mr. Yewchuk: Can the minister indicate whether such a meeting has now been set up and whether we can expect to have the results made known to the House?

Mr. Sharp: Since the government itself has not yet determined its policy on foreign ownership, there has been no occasion whatever for any consultations.

* * *

LABOUR RELATIONS

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—DELAY RESPECTING CONCILIATION BOARD—STATUS OF NEGOTIATIONS

Mr. John L. Skoberg (Moose Jaw): My question is for the Minister of Labour. In view of the imminent threat of a complete tie-up in rail operations on both the Canadian National and Canadian Pacific Railways, which can only result in serious effects on the western economy, can the minister indicate why a four-month delay was encountered before the conciliation board was constituted to deal with the contract negotiations between the Brotherhood of Locomotive Engineers and the railway companies?

Mr. Speaker: I would like to suggest to the hon. member that this important matter might be considered

by asking the question in a different form. The hon. member is asking why there was a delay. I wonder whether that is a point of debate. I would hope the hon. member could ask a supplementary question which might be more immediate than debating what has happened over the last four months.

Mr. Skoberg: I will reword my question, Mr. Speaker. In view of the four-month delay in setting up and constituting the conciliation board, can the minister now say whether any progress has been made in the negotiations?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker, the negotiating teams are meeting today and will be meeting directly with both the CNR and CPR tomorrow in order to expedite a settlement. The hon. member is quite correct in saying that there has been undue delay. One reason has been the untimely death of the chief negotiator for the unions. Whatever influence the hon. member may have with the unions, it would be appreciated if he would suggest to them that they go back to work and let the negotiating teams in Montreal do the negotiating.

Mr. Skoberg: In view of the fact that there appears to have been a six-month lag between the time the conciliation board was constituted and when it handed down its report, can the minister indicate to the House whether or not any extension of time was granted to the conciliation board for making its report?

Mr. Mackasey: It is traditional and normal to extend the mandate of the conciliation board beyond the normal period if the chairman so requests, particularly when the chairman of the board is a man of such integrity as Mr. Gallagher.

Mr. Mark Rose (Fraser Valley West): Did the minister imply that the chairman requested the extension of time?

Mr. Mackasey: I implied nothing beyond simply saying that the conciliation board tried to complete its report as soon as possible.

Mr. Rose: Was there such a request for an extension of time before handing down the report and, if so, by whom was such extension requested?

Mr. Mackasey: Any request would be legitimate, and I would have to verify to see whether the extension of time was simply the request of the chairman, which I think is in order, or whether it was a joint request of all the parties involved in the dispute.

Mr. Rose: May I ask the minister why there were no continuous negotiations over the past weekend? As the minister is well aware, there have been tie-ups on both the CN and CP in the west.

Mr. Mackasey: I am aware of the fact that there were not continuous negotiations over the weekend, but I know the hon. gentleman is sincere in his desire to see an end to this dispute, and I do not think it would help in any way if I were to single out one party or the other for their negligence in this regard.

Inquiries of the Ministry

EFFECT OF NEGOTIATIONS WITH OTHER RAILWAY UNIONS ON SETTLEMENT OF ENGINEERS' DISPUTE

Mr. Lincoln M. Alexander (Hamilton West): In view of the fact that apparently the engineers are now awaiting a settlement with respect to the 20,000 shopcraft people so far as their agreement is concerned, can the minister advise if any conclusion is being reached with respect to their demands at this time?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, as most hon. members know, railway negotiations are complicated. There are no less than seven groups, I think, negotiating almost simultaneously with the Canadian Pacific and Canadian National, and each collective agreement or settlement in some way is intertwined with the others. The hon. gentleman's question is a valid one. There is progress being made not only with regard to the shopcraft people, but also in the negotiations with regard to the non-operating groups, and both have an effect on the dispute involving the engineers.

Mr. Alexander: In view of the fact that there seem to be some 20 issues in the engineers dispute on which there has been no agreement, can the minister advise if he has been approached to bring in an outside mediator with respect to this very serious problem?

Mr. Mackasey: Mr. Speaker, ever since I became Minister of Labour I have never had to bring in an outside mediator because I have ample confidence in the mediators at my disposal within the department.

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—NEGOTIATIONS ON ISSUES NOT DEALT WITH BY CONCILIATION BOARD

Mr. Les Benjamin (Regina-Lake Centre): In view of the length of time it took the conciliation board to bring in its report, and the failure of the board to make recommendations on 21 issues concerning rules and working conditions, can the minister advise if he or his officials have been involved in any way and whether or not progress is being made in the negotiations on these 21 issues?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I would hope progress is being made. I would ask the House to be a little patient in this matter because I cannot be as frank as I would like to be with respect to the negotiations going on in Montreal in case I should jeopardize their progress.

APPLICATION OF FEDERAL MINIMUM WAGE LAW TO CANADIAN NATIONAL HOTELS

Mr. James A. McGrath (St. John's East): In view of the fact that a number of collective agreements are being held up pending a decision by the government with regard to the application of the federal minimum wage laws to the CNR hotels, can the minister tell the House whether a decision has been taken with respect to applying the federal minimum wage laws to the CN hotels?

Inquiries of the Ministry

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, as I indicated some months ago, I had recommended to the Department of Justice that the whole question of minimum wages in CNR hotels be subjected, if necessary, to court action. In the interval there was a test case before the courts in the province of Alberta. I believe the recommendation of the Department of Justice was that we should wait for the results in that particular case, and the Minister of Justice has indicated to me that he would get more concrete information on that case some time later this week.

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—PARTICIPATION OF MINISTER AND DEPARTMENTAL MEDIATORS IN NEGOTIATIONS

Mr. David Lewis (York South): Mr. Speaker, I agree with the minister about the importance of not interfering with the negotiations at this time, but can he inform the House, in respect of the crucial negotiations that are to start today or tomorrow, whether he or his chief mediators or both intend to take an active part to make sure the negotiations continue until a settlement is reached?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker. Both the industry specialists, Mr. Kelly and Mr. Gibbons, are on the scene and have already taken an active part over the weekend to see that direct negotiations are resumed tomorrow.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for York South and the hon. member for Athabasca on supplementaries and then go on to another subject.

Mr. Lewis: Mr. Speaker, I do not want to press the minister unduly but I know a little about this kind of negotiation and so I ask him if he himself would enter the picture at this stage, which is obviously crucial to the settlement of the dispute, not necessarily tomorrow but some time during the negotiations this week?

Mr. Mackasey: If at all necessary I would be glad to do so, Mr. Speaker.

EFFECT OF RAILWAY WORK STOPPAGE ON TRANSPORTATION OF GRAIN

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I wish to direct a supplementary question to the minister responsible for the Wheat Board. Can he indicate whether the transportation of grain is being interfered with by this work stoppage, and whether the government is considering alternative methods to transport grain in order to ensure that our wheat markets are not interfered with?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, of course the movement of grain from the Prairies to Vancouver is essentially a railroad operation and so it is interfered with, of course, by anything that interferes with the complete operation of the railroads. No other system of transportation could be considered feasible at this stage.

[Mr. McGrath.]

NATIONAL SECURITY

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS—PRIOR EXAMINATION BY PRIME MINISTER

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I would like to ask the Prime Minister to clarify the position that he explained on March 25 in connection with the extraordinary book written by the Secretary of State when the Prime Minister was asked what course was followed in respect of written statements or speeches. Was there any examination of this book made in advance by the Prime Minister himself to ascertain whether or not constitutional practice was being subverted in any way?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, what I explained last week was that before ministers made any statements on important policy questions they were to follow a practice which was established well before my time—

Mr. Diefenbaker: Not in my time.

Mr. Trudeau: —in the Prime Minister's office, a practice which consisted of letting the Prime Minister's office know what those statements were going to be. In some cases I have looked at them when they were drawn to my attention; in other cases I did not when I was told there was no need to look at a statement in detail before it was made.

Mr. Diefenbaker: Mr. Speaker, I must make a reference to the Prime Minister's allegation about other Prime Ministers. That rule I had not heard of until the Prime Minister enunciated it the other day. Now I ask him this: does he personally check these speeches in advance to examine their content in this regard?

Mr. Trudeau: No, Mr. Speaker.

Mr. Diefenbaker: Then I have another question. In the blues for the 25th these words appear:

> Ministers have made speeches on all these subjects.
>
> That is, on matters of government policy.
>
> It is my practice to check them for content.

That was the statement made by the Prime Minister. I ask him why was the change made in *Hansard* to read as follows:

> It is my practice to try to ensure, before they are delivered, that someone checks them for content.

Why was this change made in what was said in the House by the Prime Minister so as to report in *Hansard* something that he did not say?

Mr. Trudeau: Mr. Speaker, my memory of what I said is that I said that someone checked them for content. If the blues carry any different statement, I will have the blues looked into and I will also see if there is a tape of this statement. I am rather certain that I said they were checked for content by someone, because at no time have I ever pretended I could read in advance all the speeches that are made by ministers in my cabinet.

Mr. Diefenbaker: So the Prime Minister will look into this and find out what happened in the transition from the blues to *Hansard*, will he?

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HEALTH

BAN ON CIGARETTE ADVERTISING ANNOUNCED BY BRITISH COLUMBIA—FEDERAL POSITION CONCERNING LEGISLATION OR VOLUNTARY PHASE-OUT

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question I wanted to ask the Minister of National Health and Welfare but perhaps in his absence someone opposite will take notice of it. Having in mind the very welcome decision by the government of British Columbia over the weekend announcing a ban on all cigarette advertising commencing in September, just what is the situation at the federal level? Are we going to have an early introduction of similar legislation or is the department, in consultation with the industry, seeking a voluntary-phase-out of cigarette advertising by the industry?

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AGRICULTURE

PROPOSED FARM ADJUSTMENT PROGRAM—REPRESENTATION FOR ORGANIZATIONS ON COMMITTEE

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I had a question for the Minister of Agriculture who, according to the roster, was to have been in the House this afternoon. In his absence I will direct it to the acting minister. My question refers to the meeting that the minister held on the weekend with the provincial Ministers of Agriculture to discuss a proposed nationwide farm adjustment program. In setting up the committee to deal further with the question and report back to a meeting of deputy ministers on April 28, will farm organizations have representatives on this committee?

[*Translation*]

Mr. Marcel Lessard (Parliamentary Secretary to Minister of Agriculture): Mr. Speaker, I would inform the hon. member that the Minister of Agriculture is away from the House because he is meeting today with the Secretary of Agriculture of the United States.

As to the question raised by the hon. member, I will make note of it for the minister's attention.

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[*English*]

FINANCE

EFFECT OF APPRECIATION IN CANADIAN DOLLAR ON EXPORT INDUSTRIES—POLICY STATEMENT PRIOR TO BUDGET

Mr. H. W. Danforth (Kent-Essex): I should like to direct a question to the Minister of Finance, Mr. Speaker. In light of the current alarming trend and the growing concern about the dampening effect of the appreciation

of the Canadian dollar on our export industries, is the minister now planning a statement in the House on government policy on this subject prior to his spring budget?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I really could not indicate that.

Mr. Danforth: Mr. Speaker, may I ask the minister if he is considering an early meeting with representatives of these industries to endeavour to reach an early resolution of this problem which has such a direct bearing on Canadian job opportunities?

Mr. Benson: I meet with industries as they request. As a matter of fact, about two weeks ago I met with the pulp and paper industry in this regard.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—EXPEDITING OF APPLICATIONS IN ATLANTIC PROVINCES—PROVINCIAL QUOTAS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question is for the Minister of Manpower and Immigration. In view of the fact that of the first 200 applications received under the Opportunities for Youth program only 14 came from the Atlantic provinces where unemployment is highest and the need greatest, will the minister initiate a stepped-up information program and decentralize staff from Ottawa to the provinces in order to expedite applications?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the information is certainly available in the various regions of the country—

Some hon. Members: No!

Mr. Lang: —and the number of applications indicates that people are aware of it. I think the hon. member might help by stepping up his information about these programs.

Mr. McGrath: That is your job.

Mr. Marshall: To answer the minister, Mr. Speaker, I am sending out more information than is coming from his office. Would the minister consider again a proposal I put to him last week to allocate quotas to those provinces where the need is greatest for student employment?

Mr. Lang: Mr. Speaker, the general approach of the government has been to attempt to relate programs dealing with unemployment to the areas where unemployment is highest. I am sure this will be taken into consideration with regard to this program as well.

OPPORTUNITIES FOR YOUTH PROGRAM—CRITERIA USED IN CONSIDERING APPLICATIONS

Mr. Lorne Nystrom (Yorkton-Melville): I have a supplementary question for the Minister of Manpower and

Immigration. In view of the large number of applications being received, will the minister undertake to make a statement in the House as to what criteria are being used in accepting or rejecting applications? Apparently this is not understood by many people.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I shall bring this suggestion to the attention of my colleague, the Secretary of State.

Mr. Nystrom: Can the minister indicate whether or not the Opportunities for Youth program is part of a long-range policy for young people, part of an ongoing policy that will be continued in future years?

OPPORTUNITIES FOR YOUTH PROGRAM—ORGANIZATIONS THAT QUALIFY FOR GRANTS

Mr. Louis-Roland Comeau (South Western Nova): Can the minister state whether groups or clubs such as service clubs, the Canadian Chamber of Commerce and others who sponsor youth employment programs for the summer will qualify for these grants which are directly available to the students according to the program?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I would refer the hon. member to the information put out by the Secretary of State's office in this regard.

An hon. Member: Don't you know?

Mr. J. M. Forrestall (Dartmouth-Halifax East): A brief supplementary, Mr. Speaker. Can the minister give some assurance to the students who require financial assistance for the coming academic year that financial concerns, not political concerns, will be the criteria?

OPPORTUNITIES FOR YOUTH PROGRAM—APPLICATION CUT-OFF DATE

Mr. Lincoln M. Alexander (Hamilton West): I have a supplementary question, Mr. Speaker. In view of the fact that there seems to be some confusion as to the cut-off date for applications—I have heard it is ending tomorrow and I have also heard April 15—is the minister in a position to advise the House and the people of Canada, particularly those interested in the program, just when the cut-off date is? If it is in the very near future, is the minister giving serious consideration to prolonging the time set for applications in order that we can get the benefit of the money supplied by the government?

Hon. Otto E. Lang (Minister of Manpower and Immigration): There has indeed been some confusion about application date deadlines, Mr. Speaker, apparently because there are a number of programs with different deadlines. The program for employment overseas, for instance, which is a very special program and has existed for a number of years, has a March 31 deadline date. I believe the Secretary of State made it quite clear in the House and outside that April 15 was the date he was suggesting for the Opportunities for Youth program.

Mr. Speaker: The Chair will recognize the hon. member for Hamilton West on a supplementary question.

[Mr. Nystrom.]

However, I wonder if we might not go on to another subject and if there is time, return to this very important matter later during the question period.

Mr. Alexander: Thank you for your indulgence, Mr. Speaker. The minister says that his colleague has suggested that the cut-off date is to be April 15. In order to clarify this matter and in view of the fact that many students are registering complaints about the short notice involved, would the minister take this matter up with his colleague and ascertain if there is any possibility of extending the time so that youth can take advantage of the scheme properly?

Mr. Lang: Mr. Speaker, I shall bring this representation to the attention of my colleague, but the hon. member should not overlook the importance of these applications coming in early. The Opportunities for Youth program is obviously so popular that those that come in early may be given the greatest amount of consideration.

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EXTERNAL AFFAIRS

AMCHITKA UNDERGROUND NUCLEAR TESTS—REPLY TO CANADIAN PROTEST—PROPOSED WEST COAST OIL TANKER ROUTE

Mr. Heath Macquarrie (Hillsborough): I should like to ask the Secretary of State for External Affairs if he is now in a position to advise the House of the outcome of this government's protest of February, 1970, regarding the Amchitka nuclear test explosion?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, when this question was originally asked I said that I would inquire from the United States government whether they would have any objection to my tabling the substance of their reply. The United States government has now agreed. Therefore may I first table the substance of the note we presented to the United States government and then give a short summary of their reply?

Mr. Speaker: Order, please. I suggest to the minister that this kind of statement ought normally to be made on motions, unless the minister can make the statement brief so that it will actually take the form of a reply to the question.

Mr. Sharp: I should like to table the substance of the note we submitted to the United States government.

The United States government delivered a reply to our ambassador in Washington on March 17 indicating their appreciation of the Canadian government's concern over any effects of the tests on the environment. They also gave assurances that the environmental and other interests expressed by the Canadian government would be taken into full account and that they would give, in the thorough review of any proposed test on Amchitka, full and careful consideration to the possible impact of such a test on the physical environment.

Mr. Macquarrie: That is something less than a convincing and comforting reply, Mr. Speaker. May I ask the minister if he has also protested to the United States government about the western tanker route which he told a CTV audience yesterday he believes should be rejected?

Mr. Sharp: Mr. Speaker, I have protested many times in the House of Commons and I understand my protests have been read in Washington. I have asked the Secretary of State to consult with the Canadian government on the subject and I now await the fixing of a definite date for such consultations.

Mr. Macquarrie: Do I take it that the minister on behalf of the government has not presented the Canadian point of view to the government of the United States?

Mr. Sharp: I think the hon. member has heard me many times in the House of Commons and heard me in Washington as well.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, could the Secretary of State for External Affairs indicate the attitude he might or might not have expressed with respect to the east coast as a possible tanker route? Has he brought the same emphasis to bear with respect to the Atlantic coast?

Mr. Sharp: Perhaps the hon. member would tell me about this proposed new tanker route on the east coast.

Mr. Forrestall: You don't give a damn!

EAST PAKISTAN—REPORTED KILLINGS AND REPRESSIVE MEASURES—CANADIAN REPRESENTATIONS TO PAKISTAN GOVERNMENT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I direct a question to the Secretary of State for External Affairs arising out of the disturbing situation in East Pakistan. In view of the fact that democratically elected representatives have been refused the right to take office and have been outlawed and in view of the reported killings on a very large scale along with repressive measures being adopted by the military government of Pakistan, can the minister tell us if the Canadian government has made any representations to the government of Pakistan, particularly with a view to preserving democratic government in that fellow member of the Commonwealth?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker; we seem to be a little less clear about the situation than the hon. member, but we are making inquiries. As soon as we can ascertain the facts we will consider whether any useful purpose would be served by making representations.

Mr. Douglas: The minister's lack of clarity about this subject is normal. In view of the fact that Pakistan is a fellow member of the Commonwealth, will the government of Canada consider making representations urging a cessation of the repressive military measures which are being pursued and an attempt to settle this matter by constitutional means?

Mr. Sharp: With respect, Mr. Speaker, I suggest that the hon. member is oversimplifying the situation. If he were to ask me whether I think East Pakistan should separate, I would hesitate before making a definite reply.

EAST PAKISTAN—ASSISTANCE TO VICTIMS OF REPORTED REPRESSION

Mr. Andrew Brewin (Greenwood): I have a supplementary question for the Secretary of State for External Affairs. Has the government been in touch with interested governments with a view to offering international humanitarian assistance to the victims in East Pakistan?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we were in the midst of offering assistance to this country in connection with the recent disasters. We have not, of course, had an opportunity yet of doing anything more. The situation is still not very clear. I am sure the House would expect that before we intervened in such a delicate situation we should ascertain the facts and ascertain whether in fact our intervention would be useful.

EAST PAKISTAN—ACTION TO ENSURE SAFETY OF CANADIAN NATIONALS

Mr. Doug Rowland (Selkirk): I have a supplementary question for the Secretary of State for External Affairs. Can the minister inform the House what action the government of Canada is taking to ensure the well-being of Canadian nationals in East Pakistan?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. As far as we can determine, all Canadians in Dacca are safe and well. We have no information about the situation in Chittagong or other areas. Before the recent outbreak of hostilities, some 40 Canadian dependents and others had already left East Pakistan, acting on advice given by the deputy British high commissioner in Dacca to the effect that those without strong reason for remaining should leave. There are still approximately 150 Canadians in East Pakistan and, in accordance with arrangements entered into beforehand, the deputy British high commissioner will include them in arrangements made for protection and withdrawal to safe haven should this appear necessary.

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CANADIAN BROADCASTING CORPORATION

DENIAL OF CANADIAN TELEVISION PROGRAMS TO WINDSOR STATION

Mr. Mark MacGuigan (Windsor-Walkerville): In the absence of the Secretary of State I will direct my question to his parliamentary secretary. In view of the government's commitment to Canadian content on television, what action does the minister propose to take with respect to the recent decision by the Canadian Broadcasting Corporation to deny several Canadian television series to the Canadian television station in Windsor so that they can be sold to the United States networks for showing in Detroit?

Inquiries of the Ministry

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): I will take that question as notice, Mr. Speaker, but I would make the observation that it would seem to me that the decision in terms of what might be done will involve the CRTC.

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EXTERNAL AFFAIRS

ARGENTINA—TERMS OF JOINT CANADA-UNITED STATES FOREIGN AID SCHEME

Mr. W. B. Nesbitt (Oxford): I wish to direct a question to the Secretary of State for External Affairs. It relates to a question I directed to the President of the Treasury Board in the absence of the minister on March 19. Is Canada acting in concert with the United States to establish a large engineering project in Argentina of which Canada will pay 10 per cent or 15 per cent of the cost, and is one of the terms of that contract that all the machinery and equipment for this large project will be purchased in the United States and none in Canada?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, Canada is not involved with the United States in an aid scheme in Argentina. However, through the good offices of the Inter-American Development Bank we have extended a $756,000 loan to Argentina. This is being used to retain a Canadian firm which is updating and expanding an engineering and economic feasibility study of the Salto Grande hydroelectric power project in Argentina. I can assure the hon. member that this Canadian loan is not being used to purchase equipment and machinery in the United States.

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REGIONAL ECONOMIC EXPANSION

NORTHERN SASKATCHEWAN—APPLICATION FOR GRANT TO CONSTRUCT PULP MILL

Right Hon. J. G. Diefenbaker (Prince Albert): I wish to ask the Minister of Regional Economic Expansion whether he is now in a position to give an answer to the question I asked the other day as to what decision has been made in connection with the application by the government of Saskatchewan for $12 million in relation to the proposed establishment of a pulp mill at Dore Lake?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I think the application is from the company, not the government.

Mr. Diefenbaker: Yes, that is right.

Mr. Marchand (Langelier): A huge amount is being requested and the application is still being processed by the department. The department is requesting information from the company. I do not think there has been any unjustified delay up to this time, and as soon as we can make a decision we will do so.

[Mr. MacGuigan.]

Mr. Diefenbaker: Mr. Speaker, I am not suggesting that the genial minister ever delays. I wish to ask him whether objections to this grant have been received from NDP members in the province of Saskatchewan and also from Mr. Wilfrid Gardiner, a former member of the cabinet of Mr. Thatcher who has recently become a self-appointed authority on these questions?

Mr. Marchand (Langelier): I am not aware of those objections, Mr. Speaker. I will inquire and report to the House.

Mr. Les Benjamin (Regina-Lake Centre): A supplementary question. Has the Minister of Regional Economic Expansion received any representations from the Pulp and Paper Association of Canada opposing such a grant?

Mr. Marchand (Langelier): Mr. Speaker, there is a problem with the whole industry. There is no doubt about that. We received representations, not specifically in connection with this mill but in connection with all new mills that are going to be established in Canada. There is a problem in the pulp and paper industry because of the rate of exchange.

Mr. Speaker: Order, please. There are only three or four minutes left in the question period. I suggest that we go on to another subject.

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[*Translation*]

EXTERNAL AFFAIRS

AID TO UNDERDEVELOPED COUNTRIES—SUGGESTED INTEREST-FREE LOANS TO CANADIAN MUNICIPALITIES

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the Secretary of State for External Affairs.

In view of the fact that the Canadian government, through the Canadian International Development Agency, has granted several interest-free loans for periods of between 50 and 60 years to certain developing countries, can the minister tell the House whether he will suggest changing that agency's name by substituting the word "national" to "international" in order that it may be authorized to grant interest-free loans to Canadian developing municipalities?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the hon. member is quite right in saying that the Canadian government does grant loans free of interest to some underdeveloped countries. I point out to the hon. member we also make grants that are not repayable. We intend to continue this policy as a means of helping in the development of the underdeveloped countries of the world, a policy which has very strong support in Canada and which is strongly supported by this government. Our help to universities and in overcoming poverty in this country takes many times as much money as the assistance we provide to the underdeveloped countries of the world.

CAPE BRETON DEVELOPMENT CORPORATION

NAMES OF CANADA PENSION PLAN AUTHORITIES WHO PARTICIPATED IN ESTABLISHING PRERETIREMENT SCHEME

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I have a question for the Minister of Labour. Will the minister secure from Devco the names of the Canada Pension Plan authorities who acted with the Devco people in setting up their so-called preretirement leave scheme?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I will ask that the names be obtained. In view of the fact that the Canada Pension Plan is involved, possibly the names would be more easily obtained from the Minister of National Health and Welfare or the minister through whom Devco reports to the House of Commons.

Mr. MacInnis: I rise on a question of privilege. I do not wish to continue to tell the minister what his business is. The Min ster of National Health and Welfare failed to answer this question when it was directed to him. The Canada Pension Plan does not come under the administration of the Minister of Regional Economic Expansion. The Canada Labour (Standards) Code comes under this minister. This is the only law which can be used to require that information. If the minister no longer has authority over the Canada Labour (Standards) Code, what does he do around here?

Mr. Speaker: Order, please. I doubt whether this is a question of privilege. We went through this battle last week. I do not think it should be allowed to develop as a question of privilege. I suggest to the hon. member for Cape Breton-East Richmond that it is not a question of privilege, and I am sure the minister will recognize this. To whom the question should be directed is something which might be considered in due course, but I suggest to hon. members that there is not much point in pursuing the matter in view of the fact that there are only two minutes left before the end of the question period.

Mr. Mackasey: Maybe the hon. member is entitled to an apology. I thought he was referring to the Canada Pension Plan, but I now believe he was referring to the Canada Labour (Standards) Code. He is right. That is my responsibility.

Mr. MacInnis: On the same point, if a member of the opposition, or any member of the House requests information from a corporation in this country and cannot secure it, the only way in which he can get it is through the Canada Labour (Standards) Code from the minister. In view of the fact that the other minister has refused—

Mr. Speaker: Order, please.

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LABOUR RELATIONS

LAKEHEAD GRAIN HANDLERS DISPUTE—INQUIRY AS TO SETTLEMENT

Mr. Rod Thomson (Battleford-Kindersley): I have a question for the Minister of Labour. Can the hon. gentleman say whether the grain handler's strike at Thunder Bay has been settled?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker, I am pleased to say that the dispute at the Lakehead involving the grain handlers has been settled at the conciliation board stage. I should like to take this opportunity to congratulate all the members of the conciliation board for arriving at what I think is a very fair and equitable settlement.

Mr. Speaker: Order, please. I have noticed some hon. members dutifully rising during the whole of the question period, including the hon. member for Churchill, the hon. member for Mackenzie, the hon. member for Simcoe North and a few others. I have made a note and will try to give them preference when we reach the question period tomorrow. Orders of the day.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed from Friday, March 26, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

On clause 8—*Energy, Mines and Resources*

The Chairman: When the committee rose on Friday, March 26, clause eight of the bill was being considered. Shall clause eight carry?

Mr. Forrestall: Mr. Chairman, I was interested in the discussion which took place on Friday last and I welcome the opportunity to take part in the debate today, particularly since the subject has to do with the area opened up by my hon. friend from Northumberland-Colchester North, that is to say, the whole question of the realization of the energy potential of the Bay of Fundy in terms of the generation of electricity and other economic advantages.

In a sense, I want to pick up where my hon. friend left off and to bring one or two further points to the attention of the committee. In this connection, I should like to refer first of all to an article by the Associated Press, under a United Nations dateline, dealing with a report recently released for the use of the United Nations. This report strongly suggests that the way in which to give the world sufficient pollution-free power is to take account of the energy offered by tidal systems and tidal rivers, for example, the Bay of Fundy. The report lists a number of tidal power sites in Canada, the United States, Britain, India, Australia, the Soviet Union and Argentina. It refers specifically to the tidal power development at St. Malo, in France, and notes that cheaper construction

methods have been developed in recent years—more economic methods and systems of capturing the enormous electric energy potential of such basins as the Bay of Fundy.

By implication, and without referring directly to the tidal program study which was carried out a year or so ago in this country, the report suggests that the engineering and economic models which had then to be used were based on information which was probably eight or ten years old, in some cases considerably older than that.

In short, the report suggests that in very recent years, indeed, in the last 18-24 months, new methods have been developed for the harnessing of tidal systems and tidal rivers which are considerably more economic than in the past. In this connection we are bound, of course, to take the pollution-free aspect of tidal developments into account, as well as the basic cheapness of the energy provided by the rise and fall of the tides. Accordingly, the report calls upon governments at all levels to review the economics of development and harnessing tidal power.

There is in the Maritime provinces an all-party committee which crosses all political lines—it even embraces gentlemen from the other chamber who are interested. The single purpose of this committee is to further the application of the new economics of scale which attach themselves to the harnessing of tidal power so that we may take advantage in Atlantic Canada of the tremendous energy of the tides in the Bay of Fundy. I want to draw the attention of hon. members to the unanimity of opinion on this subject. I want to say that the Village of Gunningsville wholeheartedly supports—

Some hon. Members: Hear, hear!

Mr. Forrestall: I knew my whip would be interested in that one—I did not single it out, it just happens to be at the top of a list of 50 or 60 towns, cities and villages in the provinces of Nova Scotia and New Brunswick which have indicated their support. Their interest is no less than that expressed by the Mayor of the Town of Port Hawkesbury who wishes the undertaking every success, as do Bridgetown, Middleton and Truro. The municipality of the District of West Hants requests the earliest possible development of Fundy power, a sentiment which is shared by Lunenburg, Douglastown, New Brunswick and the Municipality of King's County, Nova Scotia. King's County placed their seal on the resolution they forwarded, making it official. The Town of Digby, situated on the Annapolis Basin, virtually on top of the greatest source of energy in the world, has formally passed a resolution in favour of the development of Fundy power.

• (3:10 p.m.)

Then, I have a resolution from the town of Wolfville, another eminent, very old town situated on the shores of the Bay of Fundy. I have others from the village of Hillsborough, in Albert county, New Brunswick; the town of Pictou, the town of Stewiacke, the town of Bridgewater, the village of Port Elgin and the town of Parrsboro. These communities are all in the area of this energy resource, and all are concerned that this development be proceeded with.

I have other resolutions from the village of Fredericton Junction; from Dalhousie, New Brunswick; from the town of Tracadie, New Brunswick; from Halifax—

Mr. Bell: Where is that?

Mr. Forrestall: This is the city of Halifax which lies across the river from Dartmouth. I have another from the municipality of the county of Halifax and one from Yarmouth, Nova Scotia. All of these towns are in either of the two provinces. If you were to read these resolutions supporting a review of this project, Mr. Chairman, you would find a wide variety of comments. One of these towns, I cannot recall which now, passed a resolution in 1921, 50 years ago, which it forwarded to the then rerpesentative of the community in this chamber with a view to getting someone to show some interest in the tremendous potential of the Minas Basin and the Bay of Fundy tides.

I have another resolution from the municipality of the county of Queens; one from the municipality of East Hants; and another from the village of Nackawic, in the county of York, New Brunswick. There are others from the town of Kentville, the town of Annapolis Royal, the town of Trenton, the village of Lewisville, New Brunswick, from Yarmouth, the village of Dorchester, the town of Windsor, the town of Berwick, the village of North Head on Grand Manan, which is in the middle of the Bay of Fundy, from the town of Sussex, from Fredericton, and from the village of Hampton, New Brunswick. All of these resolutions recognize the importance of an immediate thrust by all levels of government to implement on a properly planned basis a project to harness the tides of the Bay of Fundy.

In the Nova Scotia legislature the other day the premier of the province, the Hon. Gerald Regan, introduced a bill calling for the establishment of a corporation along the lines of the Sydney Steel Corporation—SISCO, as it is commonly known—to be funded with $10 million for the purpose of pursuing means of harnessing and developing the Bay of Fundy tides. I welcome this announcement by the premier of the province because this step is a good one. Unfortunately, there is some uncertainty and confusion as to how this $10 million is going to be spent and how the proposed corporation is going to be established. No answer has been given to such questions as whether or not the elected representatives of the area most directly concerned will have any say in the methods that are to be followed.

In this respect, it is with no hesitation at all that I commend to the minister and members of this committee the private member's bill placed on the Order Paper by the hon. member for Annapolis Valley which sets forth, in terms that are quite acceptable to all hon. members, an initial form of development process. The hon. member's will recognizes the necessity for a permanent secretariat. It recognizes the necessity for a broadly based board of directors. In this regard, it recognizes the validity of political participation in the body that will initially

accept responsibility for getting this mammoth project off the ground. It recognizes there should be a continuing, tangible link between the elected body and those who would do the actual development work.

I mention this because it is of consequence. For many years, attempts have been made to develop the tides of the Bay of Fundy and Minas Basin. In addition, attempts were made by the United States corps of army engineers to develop Passamaquoddy basin lying between the United States and the province of New Brunswick, but all of these attempts failed, even though a tremendous amount of engineering work and effort were put into them.

All of us recognize the interest shown over a long period of time by the late George C. Nowlan in the harnessing of the tides of the Minas Basin and the full development of the Bay of Fundy. The Bay of Fundy tidal program review board, following its most recent assessment, concluded that it would not be economical to go ahead with such a project now, and I have dealt with that aspect. Without impugning the integrity of this board at all, its engineering and economic models were based on information that was outdated. Its methods of construction were outdated, and its costing was outdated. The fact is that interest rates today are lower than they were. The fact is that new and more efficient methods have been developed. Indeed, it is now commonly conceded that a sustained source of power could be developed on an economic basis.

I say it is inevitable that the Bay of Fundy tides will be harnessed. It is inevitable if for no other reason than that it is the cheapest source of power we can find. It is a renewable resource which provides power. Most important of all, it is pollution free. I suggest to the minister that we must approach the development of these tides openly and with frankness. We must not do anything that might encourage or tend to promote a credibility gap. We must not in any way deceive ourselves or those who would be interested in investing in the project. In other words, we must not do things behind one another's backs but must be open at all times. There must be full involvement.

• (3:20 p.m.)

The corporation suggested by the premier of Nova Scotia is a worth while step, but it runs the risk of being the root cause of our once again fumbling the ball. And if we do fumble the ball, it will be many, many years before we will be able to pick it up again, because in the interval we will become deeply involved in programs of uranium enrichment and automatic self-breeders. I do not want atomic waste buried in my backyard, not when there is available pure, clean water which prevents no danger or pollution hazard. If we fumble the ball again, then these are the problems with which we will be confronted with respect to developing the Bay of Fundy tides. We must make sure that this concept is not controlled by some crown corporation narrowly controlled by the premier of one province. I think several hon. members have asked in the House whether the premier of Nova Scotia had approached the federal authorities with respect to this type of review which the all-party committee, headed by the hon. member for Cumberland-Colchester North, requested. Frankly, I wonder why that premier has not approached the federal authorities. I am sure that private talks have taken place. I say that because the minister has said publicly he would review the matter if he were asked to do so. I am concerned, because that approach has not been followed up by the premier of Nova Scotia. He has embarked on a course that suggests he wants to do it alone. That is fine, but the fact of the matter is that he cannot do it alone. This undertaking will involve more than $1 billion. If one includes the full potential of the project, namely, economic spin-offs in terms of tourism, and so on, the project will involve, perhaps, funds in excess of $2 billion or $3 billion.

Nova Scotia, Mr. Chairman, cannot afford the luxury of attempting to undertake this project alone. I am afraid of the difficulties that may ensue if the province, in attempting to go ahead with the project, finds it cannot complete this undertaking and if, in that attempt to put all the marbles in its own pocket, it finds that its pockets have holes in them. All the marbles may then be lost. In other words, I think the province would only undertake this project if it "had a hole in its head."

Statements have been made that this course will not be followed. These, actually, have not been statements so much as comments made outside this Chamber. Officials who have not been elected have made such statements. We have heard, for instance, that agreements have been reached between the federal authorities and the provinces of New Brunswick and Nova Scotia. Perhaps there are indications of what may happen, but I submit that these indications are not sufficient to offset the concern that I, along with others, feel. I do not think the provincial authorities ought to attempt to undertake this project by themselves. That is the message I wish to leave with the committee this afternoon in discussing this particular clause of the bill, Mr. Chairman.

I say, first of all, that it is inevitable that the Bay of Fundy tidal power project will be developed some day. That being so, why do we not undertake it now? Let us do it now; let us do it in an orderly way and let us do it with the full participation of the provinces of New Brunswick and Nova Scotia, and the federal authorities. While doing that, let us not forget that Prince Edward Island is not very far away. Actually, I do not think that the province is more than 28 miles from the headwaters of the Bay of Fundy. Let us not forget that province. Let us, at the same time, consider the advantages that this ticular clause of the bill, Mr. Chairman.

We heard a great deal in this House, especially last Friday afternoon during private member's hour, about the benefits of this project. Speakers from the Maritime provinces indicated that we do not like to go on accepting subsidies.

The Chairman: Order, please. I regret to interrupt the hon. member. I do so to advise him and the committee that his time has expired.

Mr. Forrestall: Mr. Chairman, may I continue for a minute?

Some hon. Members: Agreed.

Mr. Drury: Mr. Chairman, I think we all agree to the minute the hon. member is requesting.

The Chairman: Does the committee give its unanimous consent?

Some hon. Members: Agreed.

Mr. Forrestall: Mr. Chairman, I conclude by saying that although it would be lovely if the Maritime provinces could undertake this project on their own, I do not think they can do it. Some complain that the Maritime provinces are given too much by way of subsidies and that the rest of the country does not wish to carry the burden. I am afraid that we shall have to continue accepting assistance, even though we may not like it, in the absence of maritime marketing regions sufficiently large to attract and support secondary manufacturing. In the absence of that, we shall need some continuing form of help. We shall need such assistance, for instance until we get on with the job of developing projects like the Minas Basin project and until we realize our investment in the exploration for oil deposits off the coast of Nova Scotia.

Not until we obtain benefits from investments in such projects can we expect to get out from under in the Maritimes. Nova Scotia has no hinterland. By the same token neither has Prince Edward Island, and will not have unless my hon. friend from Hillsborough can convince Joey Smallwood that Newfoundland should unite with Prince Edward Island. That would give the island province a hinterland. The hinterland of Nova Scotia, so to speak, is the ocean and the vast resources of the ocean floor and continental shelf. Of course, not until these areas have been developed will we realize the benefits of these resources. Not until then will we obtain the full benefit of the hinterland that is the sea. Until that happens, the rest of the country will need to help us in transportation and other fields.

I say in closing that the Bay of Fundy development could be the greatest single engineering project ever undertaken in North America. Its size staggers the imagination and fires some people with enthusiasm. That type of project would get Nova Scotia going and get New Brunswick going. The spin-off effects would be felt in Prince Edward Island. Prince Edward Island would look much more attractive from the viewpoint of Newfoundland. In short, the lot of the Atlantic provinces would be improved.

The Chairman: Shall clause 8 carry?

Mr. Douglas: Mr. Chairman, I thought the understanding was that we would have an opportunity, while discussing this clause, to discuss the powers that are to be given to the minister and that the minister would make a statement. We had hoped that he would do so on Friday, but I suppose we took too much time and he was unable to make the statement. I think he should make the statement now, while we are discussing this particular clause. That should be done before we pass this clause.

Mr. Greene: Mr. Chairman, that, I thought, was the arrangement. I was not aware that hon. members opposite had finished so promptly, and that is why I did not get up. I will be very pleased to make such a statement, and to answer such questions as have been asked in committee to the best of my ability.

First, Mr. Speaker, may I point out that the bill itself, and I think some hon. members were concerned about this, does not give any new powers to the department. I believe the hon. member for Kamouraska, in particular, asked why hydroelectric energy was included in the bill, and whether the words in paragraph (a) of clause 8 "energy, including energy developed from water," had any particular significance. I believe other hon. members also asked why mines and other non-renewable resources were included, and whether that part constituted new powers. I think it might be useful if, at the outset, I tried to clarify that point. May I emphasize that no new powers are envisaged with respect to energy, mines, resources and technical surveys in the bill as it is constituted.

• (3:30 p.m.)

The purpose of clause 8 is to clarify the relative responsibilities of the new department which is acquiring the water expertise that was formerly in the Department of Energy, Mines and Resources and what is left in the continuing Department of Energy, Mines and Resources. The problem is that, although formerly most of the water expertise within the government was included in the department and now most of that expertise is going to the new department, the words "including energy development from water" are included in subclause (a) of clause 8 in order to indicate that while water generally is going to the new department in its aspect vis-à-vis the development of hydroelectric power, that particular expertise will remain within the Department of Energy, Mines and Resources. That is the reason those words are included there. When it refers to mines, minerals and other non-renewable resources, again this does not connote a new power to the Department of Energy, Mines and Resources but is merely indicative of the fact that the basic line of demarcation between the new department and the Department of Energy, Mines and Resources will be that distinction between renewable as opposed to non-renewable resources.

The renewable resources generally will be in the new department of the environment, if this House sees fit to pass the bill. The non-renewable resources generally will be continued in the Department of Energy, Mines and Resources. While I say there will be no new powers, and that that is not the purpose of clause 8, I think it is inherent within the division of powers as envisaged by the demarcation between renewable and non-renewable resources that the Department of Energy, Mines and Resources will be more inclined than it has been in the past to be an economics department. I think hon. members here have indicated some concern that there is not

sufficient economic forethought, if you like, given to the planning of the use of our resources and energy resources in particular. That may well be a valid criticism of the past. I think the emphasis in the past with regard to the development of our mineral resources, our energy resources and our non-renewable resources generally, was to develop them and to find markets for them. I believe that until fairly recently that was pretty well what we were concerned with; that is, the economic growth, if you like, as applied to these resources as well as others.

I think it is very clear, not merely from the well understood indications that were shown in the debate here but from the debate generally in the country and in the world, that the importance of resources, and mineral resources in particular as well as non-renewable resources generally in the future, may be much greater than we had appreciated in the past. The equation may be put as simply as this. In a world that will double in population in the next 30 or 35 years, as the prognosticators indicate, in a world in which it took from the beginning of time to put some 3.5 billion people on earth, we will put that many more people on earth in perhaps 30 or 35 years. The population of the world expects what we have deemed to be a high standard of living. Even in the third world, the undeveloped world where the standard of living is so deplorable, the people, I believe probably more than others, want their standard of living to grow and expand. That inevitably means that the finite resources, energy and mineral, will be that much more important and valuable.

Under such circumstances I believe it is quite clear that possibly there needs to be a new emphasis in a country such as Canada, which is so rich in these resources, on the economic planning of the use of these resources, first for domestic purposes because Canadian interests must be paramount, and secondly for use in respect of Canada's position in the world in the years ahead. So, certainly there will be this new emphasis in a department whose main function to date has been the encouragement of development rather than economic planning in respect of the use of the resources. I think probably the old department of mines and technical surveys exemplified the philosophy that lay behind our energy and resource development people when they provided the infrastructure, if you like, scientific and technological, for development. The scientific services were there. The geological surveys were made and that information was available to the world at large. We said, here is the information with which you can look for minerals in the most likely areas. That was probably the main, if not the sole, function of the department.

Certainly, while I say there are no new powers envisaged within the bill, I cannot deny the connotations in the speeches of so many members that a new emphasis is required. I believe this is clearly understood, even though no new specific powers are envisaged in the bill. I think the demarcation in respect of emphasis on environment and renewable resources in one department, as opposed to the emphasis on non-renewable resources in the Department of Energy, Mines and Resources, clearly indicates that the government appreciates that these two are affected in some way parallel in this country and in the kind of world in which we find ourselves today.

I do not believe I can today answer all the very valid questions asked by many members during the course of the debate so far, but I shall do my best at least to give a general review of what has taken place to date. First, I think the main concern has been in respect of energy policies rather than mineral policies, if I understood the tenor of the debate. At the outset, I may say there is no such thing as a static and continuing or constant energy policy. I do not think I could ever, no matter how effective and complete our research and planning should be, stand up in this House and say that here is the energy policy for Canada. We should then forget about it, because it is there for the next few years and we could turn our attention in this House to something else. Energy policy does not lend itself to that kind of definitive, lasting solution.

I might illustrate this best in this way. Let us say we attempted to have this sort of a complete and comprehensive over-all policy and then next week, as might well be the case, a new situation should arise. Suppose the rumour was proven true that there had been a great find of oil on the east coast, and we announced an over-all energy policy that did not take such a find into consideration. Quite obviously, we would have to rush out and revise our energy policy. That is why I say that the energy policy generally is fluid and changing, and must be so if we are to use our energy resources and meet the demands in the best interests of the total economy. In our thinking on the energy policy and where the policies of the government must go if we are to have the most effective direction in the national interest, I think it is most useful—and this is the way we have taken in the department and with the agencies that report to me—to think rather of policy objectives. What are the objectives of the use of energy in Canada? In this regard, we can classify some of those objectives.

• (3:40 p.m.)

The economic objective is one of them, to make the best economic use of our resources. National security is very clearly one of the objectives of our energy policy, because no modern industrial state such as Canada can be founded on anything but the most secure sources of supply that it can achieve, bearing in mind that these objectives have to be related one to the other. We would not want complete security at the price of economic foolhardiness. If we had complete security at too high a price for energy that the consumers of Canada, both industrial and household, paid, then we would have paid too high a price for security. Again these varying objectives have to be related.

Another objective is resource adequacy. That is certainly one of the great problems. As I said at the beginning of my remarks, assuring the adequacy of our resources has been, until fairly recently, our paramount objective. The quality of the environment is a fairly new objective. Until a very few years ago most of us did not foresee—and I certainly was not among the wise who

knew 10, 15 or 20 years ago—that this would be one of the paramount objectives in 1971; yet today it is clearly so.

If there is one criticism I have to make with respect to the debate, it is that there is an inclination to think, perhaps naturally, that the federal Parliament can solve these major problems without considering jurisdictional problems. However, under our constitution, the ownership of the energy resources is very clearly vested in the provinces. While we can say, yes, we have control of exports and hence we have a lever, which is extremely important and powerful, I think, as with many of the delicate balances within our constitution, we must attempt to consider jurisdictional problems which quite often are interlaced with economic problems. Certainly, so far as oil and gas are concerned, at the present time there is an inclination on the part of the province of Alberta to be rather more concerned with achieving the maximum returns from the product since most of these products now are situated in that province. The maximum return to Alberta, can be achieved through royalties resulting from the most rapid exploitation and development of these resources. On the other hand, I feel sure that to foist a completely unrealistic price upon the eastern Canadian consumers in order to achieve a maximum exploitation of resources in the west, particularly in Alberta where the resources are found, would be an untoward balance jurisdictionally in economic terms vis-à-vis the producers as opposed to the consumers.

Undoubtedly, this has been the story of Canada in so many of our economic endeavours. We have tried to achieve a balance jurisdictionally among the interests of the various sectors of Canada, bearing in mind that under our constitution the resources themselves are under the immediate jurisdictional authority of the provinces. Sometimes it is forgotten that the producing provinces of today may not be the major producing provinces of tomorrow. I often think that if we had designed policies for the objective of maximizing the well-being of the producing provinces at the expense of the consumer provinces, they would help one province today. However, the greatest potential for development of oil, gas and petroleum products in general outside federal territories is to be found in the provinces that are not the producers of today.

The Gulf of St. Lawrence is a great potential area, and so is the Atlantic and the offshore areas. Achieving that balance between consumer and producer interests will serve in the long run the very provinces which today feel they are not so well served by the policies because they tend one way or the other.

Public revenue is certainly one of the objectives which we must consider at all times. I do not think it would be acceptable to leave all of the returns from our natural resources, from our energy resources in particular, in the hands of entrepreneurs and developers. On the other hand, if we load too heavily those resources with what is known in the trade as "front-end loadings", either in provincial areas by provincial rules or in federal lands by federal taxes under our own rules and regulations, which would push up the price of the product, we might well put some of that product out of the economic stream. This is particularly opposite in the northern territories where gas and oil would become very expensive. We were finding that out when we discussed in the House and elsewhere the problems of transporting oil and gas from the northern territories. We know how costly that may be.

There is a factor which would be of interest to members of the House, one which I came across the other day. In the Ontario market, 88 per cent of the cost of natural gas is the cost of transportation, and only 12 per cent is the wellhead cost of that gas. So, in the case of northern oil and gas, transportation costs will be an even more important factor. The costs of transportation are so great that if we front-end load the product with too heavy a cost, we will possibly price it out of the market for many years to come.

Our policy, as contrasted with that of the state of Alaska, would be interesting to hon. members in considering the problem. As hon. members know, the problems in the province of Alaska—the state of Alaska, it is not yet a province, I do not think—

Mr. Forrestall: Shortly.

Mr. Greene: If I recall the figures correctly, after the exciting finds in Prudhoe Bay a year or so ago Alaska was able to auction the new oil rights at great prices. If I remember rightly they received something like $1 billion in payment for these potential oil lands. Well, all that means is that it will be that much more costly oil. I can assure you, Mr. Chairman, that the oil companies do not assume these costs out of their own coffers. These costs are pushed on to the consumers. They push up the price of the product.

• (3:50 p.m.)

The Canadian philosophy with respect to remote areas and offshore has been rather the opposite—don't front-end load the costs. The time to get the money is when markets are found and the resources are flowing. The way to get revenue is from royalties. The decision as to whether the markets will be domestic or foreign is one that will be made by the government, the Parliament of that day. So, I think we can see the diametrically opposed policies of Alaska and Canada, and in our respectful view the Canadian position is superior in that we are not pricing ourselves out of markets ahead of time. We are not putting an undue burden on the domestic economy. We are keeping our options open. We will charge those resources, or rather the then Parliament or government can charge those resources, when they are flowing, as much as it likes in royalties, but that decision has not been made ahead of time. So, we can see some of the conflicting points, and certainly social objectives constitute an important one.

It has been said that the Maritime provinces are among the have-not provinces. That may be so in economic terms, but I have never found that they are among the have-nots in terms of the quality of life that exists in that part of Canada. But certainly from the standpoint of

economics, I can think of nothing that would solve the economic problems of the Maritime provinces more than substantial and economic petroleum finds in the off-shore. I think that many of us of my vintage remember when Alberta was a have-not province. Certainly, it was the discovery of the very rich petroleum resources there that converted that province from a have-not into one of the really "have" provinces.

So again, if it is a social objective to give greater economic opportunity in the so-called have-not regions, then policies tending to encourage the exploration of those areas, whereby petroleum reserves may be found, are the kind of policies we must have in order to attain that objective. In the brief time at my disposal I am not really able to go over each of those particular objectives, and how government policies attempt to gear themselves to achieve those objectives, and to achieve a balance between those objectives in the total national interest. I think, however, I could briefly go over the economic objectives and indicate something on this subject to the House, because I believe most of the debate so far has been in respect of economic objectives. I think most of the criticism, or the doubt as to the validity of government policies, was centred in this area of economic objectives.

First, one of our chief economic objectives is to achieve the lowest cost energy mix so far as may be consistent with recovery of social cost and social objectives which involve a price tax penalty on uses of energy. Second, our objective is to realize the maximum over-all benefits to Canada from the domestic energy industries through making available a variety of energy supplies and facilitating the export of surplus energy at optimum prices. In other words, we think one of the fundamentals of Canada's energy policy, which may not have been appreciated, is to give the consumer, be he an industrial consumer or household consumer, the greatest possible mix of competing energy resources, and I mean truly competing.

I think we have seen this. I think it was not too long ago that there were many areas where the household consumer had two choices for heating his home, coal or oil. In most of those communities today he has four choices, coal, oil, hydro electricity, and natural gas. As I say, we have felt the policy should be to give this kind of true competition between energy resources themselves and in this method, by real competition, we would achieve the lowest cost and the greatest maximum choice for the consumer. In this regard, and despite some opinions expressed to the contrary, I do not think we can ever isolate the Canadian consumer from generally rising global energy costs. There is no way I know of that we can say, "Energy costs in the world are going up, but in some way we can keep them down for Canadian consumers despite world economic trends." I do not think this can be done. We do live in the world. We market our products in the world.

If we try to do this, attractive although it might appear, in our view what would happen would be that we would not get the kind of exploration, research and development in Canada's energy industries that would in fact keep costs down, no matter how great our supplies may be, or how great our potential may be. One thing that has been made manifest in the last year or two is that risk capital available for exploration and development in the petroleum game is global capital. There is no such thing as domestic capital for exploration. It moves throughout the world to where the prospects are likeliest, and it is a finite amount.

No matter how powerful are the corporate entities, incidentally some of them owned by governments with all the financial power of governments behind them, and no matter how powerful are the great private corporations, they do not have unlimited amounts of money for exploration, particularly for frontier exploration. They go to where the prospects are best. We have seen this happen. We have seen a great movement into the North Sea where there was very little exploration activity until a few years ago, at which time there was a find. We have seen a great movement to the eastern off-shore in Canada because the geological prospects were good. Incidentally, and with humility, I think the geographical survey of Canada, and those responsible for it deserve a great deal of the credit for having done the spade work which demonstrated the geological interest of the off-shore, both on the east coast and in the north.

Certainly, Mr. Chairman, these corporations go where the geology is good. They go where the political climate is good. Certainly, they will not be so prone to go to a country where, if they find oil, they may be expropriated the next week. And they go where they can market the product at a good return if they are successful in their exploratory activities. If we fix prices inordinately low in Canada, it appears to us all that this would result in the biggest proportion of the exploratory dollar going someplace else. Because if world prices are at a certain level, and Canadian prices are far below that, it must be remembered that it costs just as much to find oil here, and one of the principal costs of oil is that involved in finding it. Once you have the oil flowing, be it at Prudhoe Bay or in the Middle East, and you have 5,000 barrels a day coming out of a well—

The Chairman: Order. I am sorry to interrupt the minister but his time has expired.

Some hon. Members: Continue.

The Chairman: The minister may continue if there is unanimous consent.

Some hon. Members: Agreed.

Mr. Greene: I thank hon. members for granting me this indulgence.

• (4:00 p.m.)

So, Mr. Chairman, I say our policies are not founded on the premise that because we have this great potential in Canada—I think the best estimates are that as yet only 10 per cent of our petroleum resources have been uncovered—therefore energy resources should be very cheap in this country. They will not be uncovered, even though they exist, if we think we can shelter from world conditions. I do think that we can have advantageous

prices as compared with countries with no natural resources, but they must be related. If the price of energy increases throughout the world, so must the Canadian price. Although we must ensure that our prices do not increase as rapidly as others, still we cannot shelter completely or we will not get the development.

An example of this is the problem being faced by the United States at the present time with regard to natural gas. Contrary to opinion which has not researched the facts carefully, there is no innate shortage of natural gas in the United States at the present time. There is, however, a shortage of proven resources of natural gas. The opinions of the best experts that I have been able to read on this subject attribute this to the fact that prices were set too low perhaps because there was considerable political input. If the assessments that appear to be most valid are correct, it would appear that a few years ago the price of natural gas in the United States was so low it did not pay the entrepreneur to go and look for it. He took his money to other places in the world or invested it in bonds or something else, because looking for natural gas did not bring a good return on investment. The proof of the pudding in this regard is that today, when there is a problem of supply in proven resources of natural gas in the United States,—they have a great potential for producing gas from coal—regulatory agencies are revising the prices under contracts for natural gas in order to encourage more development and to ensure a good return to investors. They know that only by this method can they uncover more resources and meet the problems of shortage of supply in the future. Just because we have the potential in Canada, we cannot expect to shelter from the rising energy costs of the world. We can only make sure that we are always in a competitive or preferred position.

The third of the economic objectives of the policy directions for the development of over-all energy policies which will result in optimum economic efficiencies in all sectors of the energy industry, ranging from primary production to ultimate consumption must take into account such factors as the rates at which Canadian energy resources should be developed relative to Canadian energy needs and export possibilities; application of appropriate principles of conservation based upon developing technology, including such factors as increased recovery; minimization of waste; efficiency of energy conversion; utilization of by-products; substitution of more abundant energy sources in places of scarce energy sources; proper utilization of all energy sources, including imports within the consuming sector based upon cost-price relationships; premium quality of certain energy sources; appropriate contribution of each source to public revenue; pollution control aspects; consumer preference and convenience; the appropriate form and extent of government intervention which would range from exhortation through to state ownership within each sector of the energy industry and for each source of energy; the impact of other policies of government on energy matters; the integration of energy policies with other policies in order that energy development may make a major contribution toward national and regional goals. These economic objectives call for the selection of policies relative to the availability and use of an expanding economic supply of energy which are based on analysis of cost-price relationships, energy industry performance under the various market and price circumstances, and the proper role of government.

[Mr. Greene.]

These, Mr. Chairman, are generally the concepts with which the government attempts to approach the very difficult question of energy policies in Canada. To date, most of the production is in one region and most of the consumption is in another. As is so often the case in the Canadian conundrum, over the years decisions have probably been made which are not purely economic decisions—just as the CPR decision might not have been the best economic one at the time of confederation, though it made confederation possible. The decision regarding the original Trans-Canada pipeline was of that nature. Unquestionably, the natural economic market for Alberta gas was the midwest of the United States. As hon. members will recall, some people thought that Alberta gas should be shipped to its natural economic market of the midwest and the eastern markets of eastern Canada should be served with gas from the United States in exchange. That proposal was not accepted. The tradition and the necessity was to have transportation lines going east and west, and this included railway lines as well as natural gas pipelines. We found the typical Canadian solution and said that the major concern must be Canadian markets for Canadian natural gas. The Trans-Canada line was built, but in order to make the exploration and production economically viable, the surplus was set aside for the export market. Had it not been so, the entire exercise might not have been possible.

It is along these lines, Mr. Chairman, that hon. members have raised the very valid and possibly pregnant question of Canada's national oil policy which I think has been in existence since 1961. Whatever may be the current problems or the current need for review, I do not doubt that the time has come for us to take a very careful look at our oil policy. Whatever may be its present needs I think we can be happy with the past results. Whatever the need for the future, the policy has worked very well up to now, and I wish all our economic policies were as successful as the national oil policy and the national energy policy.

One of our great prime ministers, upon returning from a trip abroad and hearing some complaints from the opposition said, "I am surprised when I get back to hear how bad things are in Canada because I can assure you in many other parts of the world that I visited I found they would gladly exchange their problems for ours." I think that view would be a valid one with regard to Canada's oil and energy policies. Many things have contributed to the success of our oil policy. This success was partly, the result of policy, partly good timing in the world at large, partly good management by those responsible for managing, by the people in industry. Whatever the reason, the policies have worked well.

• (4:10 p.m.)

Our reserves of crude oil and natural gas liquids were 5.6 million barrels in 1963 and 10.4 million barrels in

1970. During that period, our reserves have just about doubled. These reserves can be used for whatever purpose we see fit from time to time. If in 1970 the Canadian government decided it was not going to export any more, it could do that. It would then be in the position of having almost double the reserves of seven years ago. Certainly, we would be in a far better position because of the policies which existed up to this point, including the policy of export which has enabled that kind of reserve.

I now wish to deal with the volume of sales during that period. The value of total sales in 1963 was $682 million. In 1970, it was $1,250 million. That not only connotes revenues to the federal government, and very great revenues in the form of royalties to the provincial governments, but a great deal of employment. This employment aspect includes people in the field doing the exploratory work and people in the factories of eastern Canada, including the province of Quebec. All our research indicates that the multiplier effect of the resource industries is very great. Also included are the people who produce the drilling equipment, rigs, steel and so on. These figures do not represent mere cash or profit. The sales figures represent a great deal of employment and economic well-being in Canada.

During the same period, our exports of Canadian oil also increased. The figure for 1963 is 260,000 barrels and for 1970, 750,000 barrels per day. Domestic sales of 520,000 barrels per day in 1963 increased to 700,000 barrels per day in 1970. Canada's net self-sufficiency in oil has increased from about 77 per cent in 1963 to about 100 per cent in 1970. I suggest that is an extremely important statistic.

With regard to our policies of expanding our export markets and maximizing our sales, the government is doing its best to improve the markets for those who have found oil. We are trying to get this oil to the market which pays the best price in the world, namely the United States market which is highly protected by the U.S. government. We could not compete if this market were wide open. The countries of the Far East could sell their oil much more cheaply than Canada. We have achieved a considerable inroad into the United States market. That kind of market place, as well as the Canadian domestic place, has encouraged exploration in Canada. It costs a great deal of money to keep a barrel of oil in inventory, just as it does to keep any item in inventory for an untoward period of time. If the market place is not available, we will not engender the kind of exploration which will give us the maximum development of our petroleum resources.

The fact is that these policies have worked and have engendered a great deal of exploration during the period 1963-70. Canada has gone from a deficit position where it was dependent on offshore oil, a position of some difficulty, to the position of being a self-sufficient nation. Today, Canada is 100 per cent self sufficient in oil, we deem that that is what we want to be.

Mr. Douglas: May I ask the minister a question on that point? What percentage of our total oil consumption is met by purchases of offshore oil?

Mr. Greene: Mr. Speaker, I do not know if I have those specific figures. If my memory serves me right, I believe that approximately one half of our oil consumption is from offshore purchases. I want to be fair to the hon. member for Nanaimo-Cowichan-The Islands. With regard to the question of security, he feels that we should seriously consider the question of whether we should build a pipeline to Montreal, thereby making us more secure. I agree that this would provide a greater security. A greater percentage of our total country could then be directly served by Canadian oil. The question is whether this would be a good policy at the present time.

When I say that approximately one half of our needs are met by offshore oil, this means that we are conserving or replacing the resources that we use. The hon. member takes the opposite view with regard to natural gas. If I understand his argument correctly, his view is that we should conserve because this natural gas will be needed further downstream. He feels that we should conserve, rather than export. With respect, I do not think he can have his argument both ways. If that is valid vis-à-vis natural gas, then that is exactly what happens with respect to oil. We are now replacing the oil which we use by importing offshore oil at a far cheaper price than that at which we sell. If we can replace non-renewable resources with imports of offshore oil at a lower price, that is a pretty good policy. In fact, it is sometimes too good a policy. Our friends to the south, particularly those in the New England states, would like to be able to do exactly what we are doing. The policy of conservation possibly could not be justified if it stultified the growth of our own natural gas industry, the petroleum industry in particular. Such is not the case. As I indicated, that industry has been particularly healthy during the period when these policies have worked.

Mr. Douglas: Will the minister permit a question on that point? Is it not a fact that we are really not conserving the oil that we are buying offshore? We are shipping an almost equivalent amount, or a very large amount, of oil out of the country. We are simply buying offshore oil in the east and selling our midwest oil to the United States.

Mr. Greene: That is correct, Mr. Speaker. The hon. member knows about this better than I because he was in western Canada at the time of the Borden commission. I am sure that was a very vital topic in western Canada at that time. As I understand it, the Borden commission concluded that a pipeline to the Montreal market would not be sound economics for Canada. We should achieve an admixture, which is the Canadian tradition in many areas, with major movement east and west. The Ontario market would be reserved for western oil. Exports to the south render the whole exercise viable in economic terms.

• (4:20 p.m.)

What we could have done, and I suppose what we could still do, though I suggest the argument for so doing is becoming even less convincing than it was during the

time of the Borden commission, notwithstanding that the current price structure might not so indicate, is to have built, or build, a pipeline enabling us to use all our oil resources domestically. This must surely have resulted in one of two things. The cost of the pipeline would have to be underwritten in the cost of the oil; we could have kept wellhead prices low so as to keep prices relatively low in the east market, or we could have asked the eastern consumers to pay a far higher price for their gasoline and petroleum products. With respect, I think this would have amounted to a misuse of our resources. In my view we have had the best of all worlds. We have earned a considerable amount of foreign currency, which is badly needed, and we have been able to keep consumer prices down in the eastern market while at the same time enabling the western producer in a large measure to get optimum prices for his production.

I must admit that the national oil policy, when you look at it as such, is a strange-looking bird—the Ottawa Valley line, and so on, part of Canada being served by offshore oil and another part of Canada by domestic oil. This pol'cy does not possess the completeness, the rational perfection which the academician so admires. But it works. It works well. It has resulted in a healthy oil industry. It has made possible the best possible prices in eastern Canada, taking supplies which are the most competitive on world markets. At the same time, it has enabled us to earn a considerable amount in foreign currency. Maybe this arrangement will not work forever. This is one of the problems regarding opening up the United States market further to our production, if that is deemed to be in our interest, that we do already in fact have the best of all worlds.

Some hon. members have expressed the view that the rise in world oil prices might well be sufficient to motivate the construction of a Montreal pipeline. They argue that as world prices rise, and certainly the OPEC agreement with the oil companies will mean an appreciable rise—

An hon. Member: And Venezuela.

Mr. Greene: Venezuela has a new tax structure and Lybian agreement, although it is not yet resolved, will certainly result in higher world prices. Certainly, all this would indicate a need for review. But if world prices go up, it may be that United States domestic prices will increase that much more. We do not know just yet. It all points to the great difficulty of any Canadian sheltering from a world rise in price.

But the great question mark with respect to eastern markets being made available to Canadian production is the result of the exploration now going on offshore of Nova Scotia and in the north. This exploration, either of Nova Scotia or in the north, will be very expensive. Last summer, I had the pleasure of being on an oil rig something like 100 miles at sea, nautical miles or whatever Nova Scotians refer to in the terms of the trade. This being the case, if oil is found, in order to be economic it will have to be "big" oil and "big" oil in the trade means Prudhoe Bay type of oil. If oil were found in these quantities either in our great north or in our eastern offshore, it would seem to me there would clearly need to be a revision of Canada's national oil policy. I cannot see how we could permit such substantial finds of oil to lie dormant once they had been proved, or how we could commit them to world markets rather than to the Canadian domestic market. Again, I would think that when exploration is at such an advanced stage in those areas, when there is such a great potential in those areas, it would be premature to make a decision which would certainly give greater security at some price, although that price becomes less as world prices increase, by the building of a pipeline to Montreal markets. So, with respect, while the question is an important one, I suggest a decision to change policy at the present time would be premature.

Perhaps I might answer one of hon. members' questions. Some hon. members keep asking me for a specific review, a specific feasibility study. I have checked this carefully and I cannot come up with any feasibility study known as the Jones study or Smith study which finds one way or the other. My best information is that from the time of the Borden report, the National Energy Board, which certainly has considerable expertise in this area, has kept under constant and continuous review world prices, construction costs, cost of right of way and so on. It is the opinion of my officials, including officials of the Board, that while the economics are closer than at the time of the Borden Commission Report, the situation is not such that at the present time it would be a valid enterprise unless wellhead costs were reduced in the west, or consumer prices were increased in the east. While the equation is getting more favourable I suggest with respect it would be premature, until we know one way or another in the next two or three years what is going to happen in connection with the exploration programs in the north and offshore, to embark on the construction of a Montreal pipeline.

I do not know how long hon. members are going to be patient with me. I should like to mention the subject of the northern pipeline which was raised in most of the speeches made so far by hon. members in this portion of the debate. Hon. members were very properly interested in determining exactly what, if anything, had been done by the government in preparation for such a northern pipeline. May I say at the outset that I believe there is a misconception as to the basis of the government's research. We have never approached the research from the standpoint of it being up to the government to determine how, when and under what terms a pipeline should be built.

As I understand our law, and the National Energy Board Act in particular, what we must prepare ourselves to do is to assess properly and effectively any application for construction so that we can make a decision in the interests of the Canadian public generally both present and future. This has an important connotation. It means that a great deal of the research is done not at the expense of the taxpayers of Canada but, very properly, at the expense of those who may gain economic benefits as a legitimate result of their research, as builders of pipelines and entrepreneurs. If the government did all of

the research and then decided when and how the pipeline was to be built, this would tremendously increase the cost to the Canadian taxpayers, and I do not think would be in keeping with our present law. It may be that Parliament, sometime later, will decide that it is up to government to build pipelines or to determine how and when pipelines should be built and that all research into the question should be conducted at public expense.

• (4:30 p.m.)

Our approach, and we believe it is sound, has been to prepare ourselves to deal with questions of economics, ecology, pipeline construction, safety of the tundra, the problem of permafrost and so on, so that if an application is made we can enlarge upon the guidelines of last August which resulted from the government's preliminary investigations over a period of two years. I think hon. members are more than familiar with them. What we said, in effect, was that these were the general guidelines to which any entrepreneur can look if he wishes to build a pipeline. As our research becomes more complete, I think undoubtedly we should define them more precisely and make the rules more clear and specific.

With regard to the wellbeing of indigenous peoples, the routing of the pipeline falls under the responsibility of the Minister of Indian Affairs and Northern Development whose department, as I understand it, acts as a province would jurisdictionally in provincial areas. Undoubtedly, further clarification here is required. But may I emphasize to hon. members that our research has been oriented toward preparing all government agencies to deal effectively and responsibly, in the interests of the Canadian public, with any pipeline application that may be made.

We have not conducted our research as though we were going to go ahead and build the pipeline. We did feel that a considerable proportion of the cost should be borne by the public sector, and it has been; but a very major proportion should be borne by those who are economically interested in the potential of a pipeline, those who may reap reward from its construction. In all fairness their research has been made known to us. We have been kept abreast of everything they have been doing and have been permitted to share in their knowledge. Indeed, we have joined them in their research whenever we have wished.

I think it is of interest to note that from the standpoint of actual construction, it may be that a more comprehensive day to day type of research has been conducted by those entrepreneurs who contemplated building the Valdez line in Alaska. If they turn their attention to the possibility of a Mackenzie valley route, then we will, of course, expect them to make all their knowledge and information available to the Canadian government and its agencies in our determination of whether or not such a Mackenzie Valley route would be in the interest of the public of Canada. So again, in that sense, we are attempting to get the best of both worlds by obtaining information from both private and public sectors.

If I might deal as quickly as I can with some of the other matters it might help to indicate—

Mr. Douglas: Before the minister leaves that, would he prefer questions now or later?

Mr. Greene: Whatever suits hon. members. I will take them at any time.

Mr. Douglas: The minister has had a long spell and may be getting a little tired. While he is on this subject and his mind is fresh, may I ask him a question or two about pipelines.

The minister says that the government's position, in the main, is that it will respond to an application rather than do the preliminary work itself. It seems to me there are really three matters that have to be dealt with when any application to build a pipeline is made. These are, the effect of the line on the ecology, conducting an economic feasibility study, and what I would call the Canadian ownership or control aspect.

With respect to the ecology, I noticed that the Minister of Fisheries and Forestry said the other day in a speech he made in Vancouver that at the present time only the engineering and economic aspects are being discussed. There is relatively very little ecological data available to the National Energy Board. Under those circumstances, on what will the National Energy Board make this decision regarding the ecological effects? Are they going to accept the report of the company? We have all had pretty bad experiences in days gone by of governments accepting the opinions of interested parties as to what will be the result of a certain project.

As members of Parliament, we are going to become acquainted with such a project only after the National Energy Board has recommended it and the government has endorsed the proposal. Therefore, it is of some concern to us to know on what ecological studies will the National Energy Board and government base their decisions. Will a decision be made on the basis of the company's studies? Will studies be made of the effects of such a line on wildlife, on permafrost, on the tundra? It seems to me we need clarification of that point.

With regard to the economic feasibility study, I agree that the National Energy Board is competent to deal with that aspect.

The other matter on which I wish to say a word is what I call the Canadian ownership and control aspect. If a pipeline is to be build from Alaska through Canada to the United States, under the guidelines it has to be a common carrier. But what does that mean? It can be a common carrier only if we have something to say about the input and output. The only advantage to Canada of such a pipeline—apart from what little employment we may receive from the original construction of the line—would be that Canada could put oil into the pipeline. But is this oil that is going mainly to the United States? Is it oil that is going to increase our exports to the United States, or is it going to be piped into Canada for shipment to eastern Canada to meet the increased needs of Canadian consumers?

If this is to be the case then who is going to own and control the pipeline? If the line is going to be entirely U.S. owned, is the United States going to decide the flow?

If Alaskan oil uses all of the capacity of the line, how can Canadian oil enter the line? Before the government embarks upon discussions, does it have in mind reserving a certain part of the capacity of the line for Canadian input and output? Who is going to set the rates? If the rates are set abnormally high, then the fact that it is a common carrier becomes meaningless.

It seems to me we should ask the minister these questions since we shall get very little chance to ask them after the deal is signed, sealed and delivered. I cannot believe that the government is discussing with the oilmen only a land bridge through Canada rather than the TAPS route—which in our opinion would be a disaster. But if it is talking about a land route, surely the government must have given some thought, first to the ecology question, and second to how ownership and control of the line would be exercised, and what protection Canadians would have with respect thereto.

• (4:40 p.m.)

Mr. Greene: Mr. Chairman, I will try to answer the hon. member's questions as best I can. I think there are two, if I caught them correctly. The first question was, will we only respond to an application. May I say what we are attempting to do. We realize that this would not be a normal type of application. Normally, the National Energy Board Act governs. We know that the National Energy Board employs engineers, economists and scientists with a great deal of expertise, and we, as a government, do not usually involve ourselves in applications for the building of pipelines, except to ratify a decision or to dissent from a recommendation. But this, obviously, is of such economic and social moment that it is important from the point of view of Canada that the government should involve itself in a way it does not normally in respect of ordinary pipeline applications.

The hon. member has asked whether we will take at face value the ecological studies of the oil companies. We certainly will not take their studies alone at face value. The Minister of Fisheries and Forestry has already said in a speech, I believe, that such studies are not sufficiently ecologically downstream, so to speak, and that may be so. He was speaking of the ecology. He said that he has a particular interest in the wildlife studies. Certainly, those studies are not the responsibility of my department, and we have not done very much about the wildlife situation. I believe that the Department of Indian Affairs and Northern Development, under the ALURA program, supports studies of this sort. I think that perhaps the new minister who will have responsibilities in this field will want to go ahead with such studies.

While talking of ecological studies generally may I say that the interdepartmental task force on northern oil as I indicated in my last review before the House, has appointed four subcommittees. One of those subcommittees was specifically the subcommittee to study ecological problems. My information is that that subcommittee is now sufficiently advanced in its work and will either issue or give to the government—perhaps I should not make them public because I do not know what the government will intend to do here—its guidelines. It seems to me that when we get their report we will look back to our own general, public guidelines and we will see that we said that one of the factors to be considered is the protection of the ecology. We will receive this report and we will be able, therefore, to enlarge upon it and say, "the ecology now means a, b, c, d, and e." I hope this research will go that far and, hence, that the picture will be made clearer in advance of an application being made.

Of course, both the departments as well as other departments, and the National Energy Board will be taking advantage of the research of the industry. I hope that we are able to assist them actively. Nevertheless, and I could not agree more with the hon. member in this, we must not overlook the fact, and I do not think anyone in this House overlooks it, that the oil industry, historically, not in Canada but globally, has not been altruistic and beneficent in its attitude to the public but has been, rather, a highly profit motivated industry. I could not agree more with the hon. member in that assertion. Certainly, we must look at these studies objectively.

For instance, I note that one of the companies is undertaking a study of the migration of caribou, a subject which I think the hon. member for Athabasca raised in one of his questions. We must consider this problem. Will the caribou cross the pipeline, or will the pipeline affect their migration, and, thus, not only the well-being of the wildlife of the area but the ability of the indigenous people who live off the caribou to maintain themselves. I am sure that we will not take the industry's study of the migration of the caribou at face value. The wildlife services will investigate the matter for themselves. I hope, thus, that we can make objective judgments and translate these into guidelines wherever possible or give the pertinent information to the National Energy Board, for it to consider in hearing applications.

The hon. member also asked about the regulatory authority over the line. May I point out to him that one of the guidelines in this area specifically says that the National Energy Board Act will prevail and that this pipeline, wherever it is built, if it cuts across Canada will come under the jurisdiction of the National Energy Board. That fact clearly indicates and connotes that it will be under Canadian regulatory authority.

The government could not agree more with another observation of the hon. member. If our land is used merely as a land bridge to enable American resources to get to American market places I would be the first to say, "go somewhere else." I would hate to see the oil pipeline go into Valdez, and then have the oil taken by tanker. But if that is all we were, a land bridge, I do not think we could consider a pipeline at all across the Mackenzie and I think our guidelines make this very clear. Nevertheless, in this area we cannot be specific or definitive, yet. We cannot say exactly what we mean by "common carrier" with respect to the pipeline. Because of the economics of the pipeline we do not know, yet, just how economic a proposition this is going to be and how much we can transgress on normal rules of economics and still have the line. If it turns out that this line can only be

built in such a way that Canadians can only enter this line if there is slack in it, then we can say that we do not want the line under those conditions. However, we do not want to make a pre-judgment until all the economic facts are available.

There are problems connected, of course, with the economic concept. This is to be a very, very long line. If you fill the line completely with oil all the way from Prudhoe Bay to the United States, you will get a 100 per cent use of that line. If three quarters of the way to the market place a Canadian company wishes to introduce Canadian oil into the line and we say, "stop, you must make room for the Canadian oil in the line", then, of course, you will introduce slack in the line all the way back to Prudhoe Bay, or in about three quarters of the line, which might be an uneconomic or unprofitable use of the line or a "non-use" of the line.

As I understand it, under the present rules with respect to lines governed by the National Energy Board, the common carrier concept applies to oil lines presently, and not to gas lines. The board's concept works this way: if a downstream or downline user, in the judgment of the board, has an economic supply—some fellow with a thimble full of oil cannot come along and upset the economics of the line—it is up to the pipeline operators to allow this fellow to transport his oil. That is their responsibility, and that is one of the conditions of the original certificate. Whether this concept would work in this instance, and whether this would be a valid approach to the Mackenzie Valley line, we do not know yet.

May I say this with great respect to the House and to the country generally which is concerned about these problems, and quite properly so. Until a clearer picture of the economics of the line is seen, we really will not be able to tell how many burdens, if you like, which might be very much in the Canadian interest we can place on this line. Some of these decisions must await, therefore, the event of the application.

If, on the application, we see that this line cannot be a common carrier and that there is no way in which we can force Canadian oil into the line, our course is clear. Our guidelines clearly say that under those terms we must say, "we are sorry, but you cannot build the pipeline." Nevertheless, I feel certain from discussions to date, and from conversations I have had, that there will be an accommodation for Canadian oil in that line, and there must be such accommodation. We can determine these matters when an application is made. If the companies say, "if you want any more than that, you boys will be right out of the ball game," we can then decide to say, "it is you who are out of the ball game." Nevertheless, I do not think we should slam the door until, at least, we get a look at the horse. We should not close the barn door before we see the horse, if I may use such an analogy in my present non-agricultural portfolio.

Mr. Douglas: How did a horse get into a ball game?

• (4:50 p.m.)

Mr. Greene: Again, the same problem arises in respect of ownership about which my hon. friend has asked. Although I do not believe he would put it this way because he is too much of a gentleman, he may find the guideline wishy-washy. It does not say the line has to be Canadian-owned. Again, for the same reason, the economics of this are fabulous and are unknown even to the entrepreneurs themselves. I recall that the original estimate in respect of the Valdez line was $1.2 billion but is now said to be in the order of $2 billion. This was a mistake that was made not by politicians but by the giant corporations which have expertise in the various fields and probably all over the world.

Mr. Douglas: Mr. Speaker, may I ask the minister a question in order to refresh my memory. Do I recollect correctly that the guidelines stated there must be some provision for a measure of Canadian ownership in any pipeline?

Mr. Greene: I will see if I can find the exact wording. I may be paraphrasing, but I believe the wording is to the effect that there will be "substantial opportunity to Canadians for participating in the financing, engineering, construction, ownership and management of the pipeline." Now again, the wording "substantial opportunity" is not very definitive. Members may find it is not very helpful. From all the economic advice we could obtain at the time, whatever may have been our shortcomings, we knew we did not know very much about the economics. That may not be to our very great credit, but obviously neither did anybody else. I believe it is becoming more and more manifest that this undertaking is of such gigantic proportion that in terms of Canadian experience it is almost beyond anything that has ever happened to us. Although I do not know the exact answer, I have heard figures kicked around running all the way from $4 billion to $8 billion for the two lines, and with all the good will in the world I cannot help the House concerning which figures are accurate. I doubt whether anyone else can.

It is thus quite obvious it would be impossible to raise in Canada a very substantial proportion of the amount of money required. When one takes a look at our total economy and the total amount of Canadian savings in a year, it does not look likely. The ideal, if we could do so, would be to find a Canadian entrepreneur who would ensure that the equity would be in Canada and the debt would be somewhere else. That is the way Trans-Canada was financed. I think we would all be happy with such a situation. This, however, may not be possible. From my discussions with representatives of the companies, as well as the other research entities, I am quite certain that in respect of the engineering, construction and management we will have no problem in having maximum Canadian content. I think this will be so because I believe we are as good as anybody else in the world in this particular field. I am not worried about materials. I think every Canadian pipe manufacturing company and every Canadian steel manufacturing company would be engaged for four or five years if these lines were built. I am informed that with regard to the construction of 48 inch or larger pipe, every entity in the world which manufactures such pipe would be going full tilt.

On the matter of financing, as I said we want the maximum Canadian content and, other things being equal, whoever comes up with the maximum Canadian content will be the winner. However, it is quite possible there will not be more than one application. As I say, it will take all the resources of all the companies put together to even have a hope. So, we have particularly let them know our concern about Canadian content but have not frozen out anything. We will give Canadians all the opportunity they want, but if they do not pick it up there might be an offer which would mean the control would be in non-Canadian hands and we might or might not accept that. It is a matter of having a look before we would move in any direction. The ideal, of course, would be Canadian ownership. I think we are all concerned about the effect of non-ownership of our resources in Canada, particularly our energy resources and our natural resources. There are varying views. I was very impressed by the effective speech by the hon. member, I believe for Don Valley, who feels that we should not worry too much about ownership of resources, that resources are resources are resources, and should concentrate Canadian savings in things like book publishing and such which do make Canada unique. That is one view.

There is a limited amount of Canadian savings. We should not kid ourselves above this. I believe even the most nationalistic of economy nationalists say we need continued foreign investment in greater proportion than before. The question is, how do we get that foreign investment in such a way that it does not involve ownership of our country and does not affect our ability to direct our own destiny. In respect of a pipeline, if we do not own it, is this one of the things which would inhibit our ability to develop this country as we see fit. This is a question to which I believe all hon. members must address themselves. We might ask ourselves whether it would be good to have a great proportion of Canadian savings in the next few years end up in the pipeline and not be available for such things in the public sector as guaranteed incomes, public well-being and so on, or for the book publishing business and other things in the private sector, bearing in mind that this pipeline may be over Canadian territory.

The Deputy Chairman: Order. It being five o'clock it is my duty to rise, report progress and request leave to sit again.

Progress reported.

[*Translation*]

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Fraser Valley West (Mr. Rose)—Regional Economic Expansion—Incentive grants—Acquisition of proportionate equity in recipient companies; the hon. member for Moose Jaw (Mr. Skoberg)—Air Transport —Use of air space and airports by supersonic planes— Awareness of other countries of Canadian position.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely notices of motions and public bills.

[*English*]

PRIVATE MEMBERS' MOTIONS

WEST INDIES—REQUEST FOR IMPROVEMENT IN TRADE AND CULTURAL RELATIONS

Mr. Heath Macquarrie (Hillsborough) moved:

That, in the opinion of this House, the government should consider the advisability of taking an initiative in seeking to promote closer and more harmonious relations with the Commonwealth Caribbean through the convening of heads-of-government or ministerial conference, efforts to increase trade between the region and Canada, strengthening cultural ties and generally an upgrading of priority for this region in Canadian foreign policy consideration.

• (5:00 p.m.)

He said: Mr. Speaker, this is not for me a new subject or a new interest. As many of my colleagues know, I have several times before raised this general question, although previously in a different terminology. I think I have reached something of an apogee of excellence in my phraseology this time! My great concern in this general question is simply that we must raise the priority which we give to the Commonwealth Caribbean in our foreign policy. This is the underlying aspect in all my presentations on this very important and interesting subject. The area to which I wish to draw the attention of Your Honour and that of my colleagues is a small area but it is one with large problems. It is an area which has all the difficulties or nearly all the difficulties facing emerging nations across the world. All the economic pains of the developing states are found in the Commonwealth Caribbean. They, too, have these intensive and intense questions of race, color and identity which are such vital questions and often such difficult probing questions in today's sensitive world.

But these communities have something else which should mean a great deal to parliamentarians of our tradition. The political institutions of the Commonwealth Caribbean, in the face of many assaults, have stood well, and are, I believe, a magnificent tribute to the type of political institutions which are of the same general structure as our own. In looking at this area, I think we should never forget that in the area of political institutions we have much in common. We are of the same mould, and our Commonwealth parliamentary relationships with these people are, as they should be, of the closest.

Since I last spoke, there have been developments in the Commonwealth Caribbean; there have been incidents and occurrences which some Canadians have viewed with great anxiety as indications of considerable distress.

There have been riots and protests against Canadian property in Trinidad and Tobago. I must point out that it was not only Canadian property at which the excitement of the people who were at that time moving about the streets was directed. There have been demonstrations with some anti-Canadian undertones or overtones, and there have been some sharp criticisms of Canadian policies on other occasions. Not that I believe or think that Canadians should believe that they are somehow immune from criticism or that throughout the world we should be universally loved and everlastingly adored. We think it is quite normal that there should be such a thing as anti-Americanism, but surely we cannot be immune from criticism and misunderstanding, so I am not disturbed by these incidents. It would however, be a mistake to overemphasize the incidents and to regard them as typifying any deep hatred or continuing hostility toward Canada. To take such a view, to make such a judgment would be, I believe, most unwise. But to pass them off as a mere nothing, to pretend that nothing really had happened, is, in my opinion, equally erroneous. We must not and cannot take these neighbours for granted—neighbours never should. They have grievances, and I am glad that they are expressing themselves with candor and sometimes with feeling.

As I said in the House at the time that the unilateral decision regarding the termination of the 29 cent sugar subsidy was announced, it was a bad thing because it was announced, and it was terrible because it was done unilaterally. It was a boober of major proportions, and I am glad that the government, which deserved censure for doing it, backtracked, changed its mind and left the subsidy at least for a year, and I hope it will be longer than a year, until adequate, thoughtful and sensible arrangements can be made.

There are problems regarding immigration, although I am convinced that our policies in immigration today are far better than they used to be, but there are still some difficulties and misunderstandings. Many people in the Commonwealth Caribbean sometimes suggest that we are willing to accept only those people whose contribution to their own lands would be most valuable. Knowing the dreary and painful story of the migration of the people from the Maritime provinces to other areas in North America, I have much sympathy for these feelings.

When in Barbados a few weeks ago—and as I look outside today I wish I had been able to stay—many people asked me why Canada had no mission in Bridgetown, in view of the fact that Barbados has a very fine high commission office in Ottawa. This is one situation which I greet with incredulity and with embarrassment. Surely, our austerity is not so compelling that we cannot afford to open a mission in the friendly and beautiful country of Barbados where so many Canadians are involved personally, financially and as residents. Indeed, it is an area of most extensive Canadian interest and involvement. Of course we should reciprocate and open a Barbados mission right away. We have fine missions in Trinidad, Tobago and Jamaica. I had the opportunity of visiting these people not long ago, but I think it is unfortunate that it was found necessary to cut down the personnel of these important missions. I recognize that good work has been done, and our country is generally well regarded in the area, not just for that oblique and negative virtue of our not being Englishmen or Americans, a kind of compliment which I never find very satisfying. I hope this is not the case.

The need is great and the opportunities for more service are immense in the area. In an earlier Parliament when presenting this subject I quoted a learned Canadian scholar, Professor Kontak from St. Francis Xavier University, who knows the West Indies and the Commonwealth Caribbean well. Professor Kontak returned from a recent extended visit to the Commonwealth Caribbean and reported that the friendship he found for Canada was almost unbelievable. He said:

> This friendship gives a feeling of both pride and embarrassment; pride because Canada has conducted her affairs in such a way as to produce this feeling, and embarrassment because she has done so little compared to what she is capable of and can afford to do.

I cannot summarize in a better way my own feeling with reference to our stake in the area and our opportunities in the region. Although I come from a part of Canada that has long been neglected—and may I say in candor never more than by the present government—I do not join those who believe that cutting off foreign aid would somehow, some way, miraculously bring us internal prosperity. Such is not the case. We must, even in a selfish way, take an interest and become involved in other parts of what is sometimes called this global village. But having said that, I reiterate a statement that I have often made since I came to the House of Commons, and that is one of doubt that Canada with its resources can mount meaningful programs of aid to 65 to 70 countries across the world. It cannot be done.

• (5:10 p.m.)

In many cases it is a mere drop in the bucket. So, we must select areas where we can hope to be effective. I believe that no part of the world with which we have contact, for which we are concerned, and in which we have an interest deserves a higher priority than the Commonwealth Caribbean. In this important area we can, I believe, not only be effective, but in some parts of the Commonwealth Caribbean our aid, our interest, our assistance and our friendship could indeed be decisive as some of the communities, whose political and economic viability is very precarious, struggle with problems and cope with difficulties which might very easily overwhelm their institutions, assault their stability, and create the kind of conditions which would bring no good to them, no good to Canada, and no good to those people who believe in a peaceful free world.

My motion endeavours to set out some areas in which I think we can do more. I have been very worried for some time that the high water mark of 1966, when the former Prime Minister, Mr. Pearson, assembled in Ottawa a heads of government conference, was much higher than the level we are now performing upon. I believe we should have taken the initiative in assuring that there would be another heads of government meeting in our

time, or at least ministerial meetings, to indicate, to underscore and to re-emphasize the concern we have for this area.

I believe we can strengthen our ties through parliamentary delegations. When I was in Port-of-Spain I was impressed to hear the Speaker of the Lower House and the President of the Upper House suggest that we should develop a pattern of exchanges between our legislative bodies and theirs. I hope it will be possible for this kind of initiative to be followed. I believe there are great opportunities for more cultural exchanges. I remember so vividly the magnificent performance of the wonderful calypso group who came up to Canada in 1967. Now, I am expecting to see another group which I believe the governments of Trinidad, and Tobago have indicated they will send, as they have been the winners of the great carnival contest.

Students have done a splendid job. Students from the West Indies, from the Commonwealth Caribbean area, have long been in our universities. I have seen them in my classes years ago. I have the highest regard for them. I think we should be doing more now in trying through our programs to assist students who would remain, for at least a large part of their course, down in institutions in that area.

We can also increase trade. I do not pretend that the opportunities are immense, or that it is a tremendous area of growth. And we do have to take into consideration changing tastes and changing technology. But there is ground for a substantial improvement. I believe, particularly, we should assist in increasing and stimulating the flow of seaborne commerce. Perhaps we are entering a new era where we must look to the riches in the sea, on the sea, and under the sea, and become more conscious of those possibilities. This is why I suppose we from the Atlantic provinces have long known the charm of the West Indies and the value of friendship with them.

Also important in the whole Canadian program with respect to the Commonwealth Caribbean is the work done by the individuals down there, sent by CDA and CUSO, and by the other group, the retired executives, CESO which some nasty person has called the paunch corps. There are many stimulating and interesting experiments being carried out there. In Jamaica, in their capital city, the Casa Monte hotel has been turned into a school for hotel training, run by a former dean of Ryerson Institute. A fine job is being done by that man, and by many Canadians who have outstanding experience in the hotel field here.

Canadian agriculturalists are helping with a program of agricultural development, especially in the raising of cattle. I discovered down there some fine Canadian Holstein cattle, which are being bred in the islands. I only ask one question: why weren't there more from Prince Edward Island, which is very famous for its Holstein cattle?

But to move from agriculture to teaching, I think there we get to the real ambassadors. I can well remember the vice-principal of the Manchester teacher training school, in Manchester, Jamaica, telling us one and all at a meeting that without its Canadian friends the school would have had to close long ago. Every year one meets and hears of bright Canadian people, interested Canadian people, outward looking Canadian young people who are down there doing a fine job.

I suggest again, as I did on motions the other day, that we do make a mistake in one respect. When we send people to various parts of the world they are given a briefing by the Department of External Affairs but when they come back, full of knowledge, and enriched with concern, no one pays any attention to them. The department should find ways to communicate with these people and draw on their knowledge, experience and concern.

We should and must do more. It may be unusual for a member of this House to enter into salutations to the other house, but I am convinced the finest study done on this question for a long, long time was that by the foreign affairs committee of the Senate. I commend their exercise. I support their recommendations. I believe they are giving leadership in a path which we should follow, namely, to do more, to think more on this whole question, and we will all benefit as we strengthen our bonds with the Commonwealth Caribbean.

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I fully support the motion put forward by the hon. member for Hillsborough (Mr. Macquarrie). It is rather difficult to follow him in the debate because he has covered the subject so well. Those of us who were here in 1966 when there was a conference between the Canadian government and the Caribbean governments had great hopes at that time. We expected a dramatic improvement in relations between Canada and the Commonwealth Caribbean countries. I must be frank and state that the results to date have not come up to our expectations. It is true that there have been improvements in some areas, but there has been deterioration in others.

As a member from Montreal, I cannot help but be aware of the riots which we had at Sir George Williams University. We have a large number of Caribbean immigrants in Montreal. I have been in touch with them often I have many friends among the Caribbean community, but I repeat that while there have been certain advances, in some areas there has been deterioration.

I endorse the suggestion made by the hon. member for Hillsborough that another conference between Canada and Commonwealth Caribbean countries be held at the heads of government level. Last fall the Hon. Paul Martin, the Leader of the Senate and a member of the cabinet, visited some 13 countries and territories in the Caribbean area. He made an effort to follow up on many of the matters that had been discussed previously, and to bring about improved relations with those governments. The report on his trip can be found in the statement which he made in the Senate on December 8, 1970, and which was recorded in the Senate *Hansard* of that date at page 293. It was a very extensive report.

In addition, in 1970 we had the report of the Senate Committee on Canadian Caribbean relations. While I also congratulate the Senate and support most of its recommendations, I think we must realize that the evidence

which formed the basis of that report was evidence that was taken mainly from a Canadian perspective. If I remember my reading of the report correctly, I think all the witnesses were Canadians or non-Caribbean citizens. The report is valuable but I think more is needed.

• (5:20 p.m.)

In 1970 we also had the publication of the government's policy statements on foreign policy, but no special mention was made of the Commonwealth Caribbean. I agree with the report of the Senate and with the hon. member for Hillsborough (Mr. Macquarrie) when he said that the Commonwealth Caribbean should be given a special place in our foreign policy. I want to emphasize that, Mr. Speaker. The grounds for that special place were put forward when we had a conference in 1966 but were not followed up in the way we expected. The basis for that special place is primarily due to the fact that the Commonwealth Caribbean countries—as a matter of fact all Caribbean countries—are our neighbours and we share many things. We have historical ties in trade; we were both colonies of Great Britain; we share social and political institutions and, above all, we need each other. There are things that they can help us with and vice versa. These increased relations, Mr. Speaker, have to be carried on as neighbour to neighbour and friend to friend, as equals and not in a neo-colonial way nor a paternalistic way.

The areas where increased relations can take place, and these have been referred to in the motion, are areas of trade, aid, foreign investment and tourism. With respect to aid, the goal must be to develop the independence of these people. It should primarily be aid without strings, untied aid. It should be directed to the self-fulfilment of people living in these areas. Following on that, if we are serious in our aid programs, there must be trade. We cannot pretend to assist people, put money into their country so that they can develop, and then refuse to trade with them; trade is extremely important. The mistake we made with the sugar agreement was corrected, but I think it is important that in all trade relations with the Caribbean countries we work as partners and with full consultation.

Some of the most sensitive areas have been in the field of foreign investment. Canada and Canadian private companies are very visible in the Commonwealth Caribbean. You don't have to go very far to see that our banks, the aluminium company, many of the hotels and a lot of the tourist industry are Canadian owned and operated. In the past there has been criticism that Canadian companies operating in the Caribbean have not provided enough participation at the local level; that wages were at the minimum level; that not enough attention was paid to enlightened employer-employee relations nor to the wishes of the people as expressed in their local legislatures and local government. I think this is being corrected. I think Canadian companies operating in the Caribbean are aware of the aspirations of the people and are trying to correct some of the failings of the past.

The Senate Committee made several good recommendations which I think are worth while. In the area of Canadian government machinery, they suggested that the Interdepartmental Committee on Canada-Commonwealth Caribbean Relations should be given a clear and precise mandate to maintain a continuing overview of current and long term issues. They felt it was necessary that there be a co-ordinating agency within the Canadian government which would treat the Caribbean area as a special area. Another important recommendation was that there should be established in Canada a Caribbean marketing agency. This recommendation reads:

> The Canadian government should suggest the establishment of a joint Canada-Caribbean marketing agency to be funded initially as required by Canada. Such an agency could conduct market surveys, establish distribution contracts, advertise and generally promote complementary two-way trade. This could be a relatively low cost assistance project yielding substantial and lasting results for the Caribbean countries. By selecting promising export products, (examples at this time would include bananas, rum, and certain citrus products), the agency could have a highly beneficial impact.

Then, there is tourism, Mr. Speaker, and this is an area which is likely to be sensitive. Very often Canadians take the point of view that all the tourism that is directed to the Caribbean countries by Canadians is valuable. It can be touchy when Canadians live in very luxurious hotels in those countries, often to the benefit of the Canadian hotel owners and the Canadian tourists, without too much benefit going to the countries themselves. I thought the Senate Committee made some worth-while points on this issue as well when they said, at page xxii of their report:

> Evidence given before the committee indicated that tourism has had a number of undesirable social side-effects without necessarily bringing all the expected economic benefits. The committee recognizes that the responsibility for solving these problems rests primarily with the local governments, but has several specific proposals to make.

The committee goes on to suggest that goods and services required by the tourist industry should be purchased in the Caribbean countries, so that the industry will stimulate secondary and tertiary effects in the economy. This is a worth-while recommendation.

In the area of immigration we see a considerable increase from the Caribbean over the last few years, especially in Montreal. Many outstanding citizens have come to us from the Caribbean but there is that touchy problem of "brain drain". Sometimes we are in a dilemma to know whether we should encourage the best trained people to come to Canada when they might be needed in their own countries. On the one hand, we are helping the university of the West Indies to train people but often we find the best ones coming to Canada. This is a touchy problem, but I don't think it is for the Canadian government to put any type of restriction on immigration from the Caribbean. In this area we have to work in close co-operation with the governments of that area: we have to respond to requests with respect to immigration, especially the immigration of their highly-trained people.

• (5:30 p.m.)

There has been some unrest and hostility over the past few years, but there has also been a lot of good will. The worst that Canadians could do would be to react too

quickly to some of the social movements that are going on in the Caribbean. We should continue to act in a positive way toward this problem. We should not become too upset when demonstrations are made against our companies and government, because these will pass if we act positively toward these people and improve and strengthen our relations with them.

Although there has been deterioration since 1966, there has also been improvement. Last year a bilateral air agreement was signed with Trinidad, Tobago and Jamaica. Canadian development assistance was effectively utilized with an allocation of $24 million. The Caribbean Development Bank, with Canada as a non-regional member, was formally established. The sugar rebate was extended for 1971, and an agricultural development fund of $5 million was established. These are some of the gains that were made in 1971.

In conclusion, I congratulate the hon. member for Hillsborough for his continuing efforts to improve our relations with Caribbean Commonwealth countries. Many on this side of the House give him full support.

Mr. Doug Rowland (Selkirk): Mr. Speaker, I will make just a brief intervention. I join the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) in extending congratulations to the hon. member for Hillsborough (Mr. Macquarrie) for presenting this resolution to the House.

I wish to comment on two matters with regard to our special relationship with the Caribbean arising out of a common language and underlying cultural affinity. This is an ideal field for Canada to work closely with area governments concerned to develop policies of a pilot nature which could then be employed in furthering our relationships with other nations of the world. If this argument sounds involved, I will attempt to be more specific.

Any developed nation which attempts to establish relationships with developing nations, and in so doing provides economic assistance through public means and private capital, encounters the difficulty—such as we have seen in the Caribbean—of eventually becoming charged with embarking upon neo-imperialist policies. Because of the special affinities between the Caribbean and Canada, the Caribbean is an ideal area for us to begin working out ways of avoiding this particular problem, which will become greater because over the past years our government has become committed to a policy of increasing the amount of foreign aid to other countries.

Could we not use our special relationship with the Caribbean, in consultation with the area governments, to attempt to develop ways and means of providing the assistance they require which will not carry with it charges of neo-imperialism? Could we not develop ways and means of ensuring that Canadian private investment in the Caribbean area meets with the criteria for economic self-development and the maintenance and control of their own economies which the Caribbean would like to see? In short, could we not put some special effort into the particular problems of this area in the hope that the formulas thus established would have wider application?

The second matter which I wish to draw to the attention of the House is one in which we might have some success in developing a pilot project in conjunction with the Commonwealth Caribbean nations. I refer to immigration. The two previous speakers have indicated the problem with regard to immigration. We tend to skim off the cream of developing countries by bringing their best educated people to our country. In this way we are dealing an economic blow to the country which has spent money to educate these people to the extent that they become acceptable under our immigration laws. At the same time, we are doing very little to assist those countries in dealing with the many problems they have with regard to the vast numbers of lesser skilled people.

In consultation with the Caribbean governments we could develop a pilot project whereby Canada would undertake to bring in certain numbers of people who do not meet our strict immigration requirements. This could be done on the clear understanding that the government of Canada would undertake to provide them with the necessary training and education to live within our boundaries. I am not speaking of a program of bringing in vast numbers of people; I am simply suggesting a pilot program which could be worked out in the Caribbean area where there is so much in the nature of cultural and linguistic affinities, the results of which could eventually be applied in other areas of the world.

While I have not stated these suggestions in a detailed form, they are in keeping with the suggestions in the resolution of the hon. member for Hillsborough. I hope that some member of the government will find time to examine these suggestions to see if acceptable programs of the type I have suggested could be worked out in detail.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, my intervention will be very brief. I think there are at least three other members who want to speak. There have been three very thoughtful speeches on this important resolution. I concur with a great many of the points raised by the hon. member for Hillsborough (Mr. Macquarrie). The hon. member raised three specific points in his speech which was filled with important points, which is typical of the hon. member.

One suggestion, which was reinforced by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) was basically sound. We should not be diverted from maintaining close relations with the Commonwealth Caribbean countries because of unpleasant instances, such as occurred in Montreal, or difficulties which Canadians or Canadian institutions encounter in the Commonwealth Caribbean countries. These are often short-term difficulties which are associated with problems of development and relations between developing and developed countries. This is an important point.

The hon. member for Hillsborough stated that we should not yield to the misguided pressure that comes from some quarters—that charity begins at home. He stated that aid should not be viewed as a charitable operation. Relations between developing and developed countries are mutually advantageous, even self-serving.

Where aid is involved, this is part of a process which helps the developed countries as well as the developing countries, particularly through developing new markets. When the claim is made that we have problems in our own country which should be attended to, we should not be diverted from the main thrust and purpose of foreign aid programs, albeit that some of our problems are compelling and must receive attention. However, one cannot be solved at the expense of the other. It is up to the members of this House to maintain the balance in public argument on this question.

Another interesting point which the hon. member raised was that our institutions are similar and our problems as legislators are in some ways common. He stated that we should have more contact with each other, not simply during the winter months. I would certainly welcome a month's sojourn in the Barbados. He stated that at times convenient to both sides we should meet and discuss mutual problems. He stated that when parliamentary delegations visit these countries, there should be some form of follow-up approach with the Department of External Affairs. The hon. member for Moose Jaw (Mr. Skoberg) is in the chamber. On at least one occasion we have travelled together on an important mission. We were very gratified by the fact that following a mission a real interest was shown by the Department of External Affairs. There could be an important input from parliamentary delegations who have visited abroad.

I disagree with the hon. member for Hillsborough and the hon. member for Notre-Dame-de-Grâce that our relations with the Commonwealth Caribbean countries are not developing. I found his argument difficult to accept. Furthermore, it is not clear to me what both hon. members mean when they talk about a special case in our foreign policy. Listening to their speeches, I did not detect supporting arguments for this contention. The only way in which the degree of priority attached to the Commonwealth Caribbean can be judged is by the facts—and it seems to me the facts are impressive. I will return to this point.

• (5:40 p.m.)

In his resolution, the hon. member for Hillsborough made an issue of one point. To quote from the motion before us, he argues that close and more harmonious relations should be brought about with the Caribbean through convening conferences between heads of state or ministers. Personally, I do not feel strongly either for or against meetings of ministers or heads of state. I have an idea that this type of arrangement is no more effective than the kind of close bilateral contacts we presently have with the Caribbean. I do not think it can be argued that because we have not convened successive conferences between heads of state or ministers our ties with the Caribbean are not rated as of first-rank importance by the Canadian government. I happen to support bilateral relations of the kind being pursued at the present time; I believe they are more effective.

I should like to put on record an indication of the extent and complexity of our present ties, because this is the only way in which we are able to judge the importance the government attaches to the relations between Canada and the Caribbean at the present time. I think we ought to review the extent and complexity of Canadian interests in the area, both governmental and private. At present it is estimated that there is $450 million to $550 million in Canadian investment in the region. During 1970 Canadian exports reached $134.1 million as compared with $113 million in 1969, and imports totalled $77.9 million as compared with $108.7 million in 1969. In the past five years over $100 million has been allocated to the Commonwealth Caribbean under the Canadian development assistance program, including $24 million in 1970-71.

At present there are over 3,000 Canadians living as permanent residents in the region, and over 125,000 Canadians visit the islands annually. During 1970 nearly 14,000 West Indians emigrated to Canada. Here is the best kind of cultural exchange—an exchange of people. There are Canadian High Commissions in Jamaica, Trinidad, Tobago and Guyana, and these three countries, plus Barbados, maintain High Commissions in Ottawa. The Leeward and Windward Islands have a commissioner in Montreal.

Consider our development assistance program. I am reciting this because I believe it is a basic fact upon which hon. members can judge whether or not priority is given to our relationship with the Commonwealth West Indies. In the 1970-71 fiscal year, $24 million were allocated to the Commonwealth Caribbean, with a major concentration in the sectors of education, transportation, water and sewage systems, and civil aviation, including airports and infrastructure. In addition to specific projects in individual countries, assistance within the aid allocation I have outlined is being provided to the multinational University of the West Indies and to the University of Guyana.

On a per capita basis, the Commonwealth Caribbean is the largest recipient of any region receiving Canadian development assistance. This is the point I am making. If we are to assess whether relations are developing or deteriorating, one can best do so in terms of facts such as I have put on record. This brings me to a point which was raised by the hon. member for Notre-Dame-de-Grâce.

The relationship between a developing country and a developed country poses extremely difficult problems for both. If we go beyond the pious sentiments we express from time to time about the need for assisting developing countries, we are bound to think intelligently about what we mean by trade. We cannot simply provide assistance to help build up a domestic industry, and then exclude from our markets the exports of the country concerned. I suggest that hon. members look closely at the results of the UNCTAD conference, or take a look at the Algerian resolution setting out the demands of the developing countries in terms of their trade relationship with the developed countries.

As I say, the difficulties attached to these relationships are great. All of us have industries in our constituencies which would be affected by any meaningful easing of import restrictions. All of us have constituents employed in Canadian industry who would be affected if we were

to admit more freely exports from developing countries which would compete directly with domestic manufacturers. Decisions in this area are hard to make—but I hope we have gone beyond the stage of rhetoric, the stage at which we are prepared only to talk piously about assistance, and have reached the point at which we ask ourselves what precisely we are prepared to do to allow developing countries to sell their products to us. We have some tough decisions to take, but that is the point we are now at.

Mr. J. M. Forrestall (Darthmouth-Halifax East): Mr. Speaker, I wish to join my hon. friend from Hillsborough (Mr. Macquarrie) and others in saying a few words about this proposal. I congratulate my hon. friend, not only because his motion is in front of us today but because this distinguished member of the House has spent a great part of his life voicing concern about the relationship between Canada and those delightful islands not too far south of us.

• (5:50 p.m.)

With respect to the delightfulness of the islands, I have yet to be made aware of any government aid having anything to do with my desire to be in the Caribbean during the wintertime. It is just that on occasion it is a hell of a lot more delightful down there than it is here. I had intended to make other comments to reinforce the arguments of my colleague who brought this matter to our attention, particularly with respect to the absence of representation in Bridgetown, but I think trade is a useful way to measure the reality of our relationships and the concern we have for them.

A previous speaker asked us not to get carried away by our own rhetoric, but I cannot resist answering him by saying that although he left us with the impression that there has been an increase in trade—true, there has—the relative impact of trade in general and the relative position of our fish and flour exports to the Caribbean in terms of their imports are the true measure of our concern. Our trade with the Caribbean has been going down. Our flour exports to the Caribbean are away down, even though consumption of flour on the islands has not gone down. I am not saying whose fault it is. In many instances it may be the fault of our own entrepreneurs. Perhaps we should have encouraged Canadians to build flour mills in the Caribbean; but we backed away from this, and I should like to know why.

I do not want to isolate flour from other commodities. Let me take fish. Traditionally, Canada has supplied much of the fish eaten in the Caribbean area, but in recent years, while in absolute terms trade has gone up, in relative terms our share of the market has gone down. Perhaps this is because we have not catered to the increasing sophistication of taste and well-being on the part of the residents of the islands. Perhaps we have taken them for granted. Perhaps we are continuing to take them too much for granted and this is why our relative trade picture has worsened. Perhaps we have not done enough to encourage imports of certain fruits and other traditional north-south trade commodities for hundreds of years. It is to this point that I wish to address myself.

[Mr. Faulkner.]

Throughout my life in Halifax—and, I suspect, the lives of my great, great grandparents too—our Maritimes relations with this part of the world have been warm and continuous. But it is here, at the level of the central government, that the emphasis must be placed? The degree of our interest in the Caribbean must find its source of authority here, not in the Maritimes. I said a moment ago that our declining trade picture is not our fault. I could have mentioned meats. Why cannot we compete with Australia and New Zealand in meat exports to Caribbean countries? Why have we not done those things that encourage, at the senior minister level, an ever closer and growing relationship between Canada and the Commonwealth Caribbean? Why have we been satisfied to rest on the success of bilateral relationships? I suggest this is no way to measure the degree of concern that we should have for our friends in the Caribbean. I have spent a number of years in that part of the world, very delightful years. I have also spent some time in South America. But never have I sensed, in and around the islands, anything but good will toward Canada. Nevertheless, from my own personal experience in the area, not to mention the evidence we have had in recent years, the fact is we are not paying the attention to the Caribbean that we should and could without any cost to ourselves.

As the hon. member for Hillsborough said, there should be more consultation and meetings at a higher level, to the mutual benefit of us both. We would not be the benefactors, as was the impression left by the speaker who has just resumed his seat. We are two separate entities who enjoy very much in common. But we are in a position to do much more. We are in a position to take advantage of our ability to do more, to do that which we have failed to do. In the narrow area of trade, the fact that while our trade has increased, its relative position in the Commonwealth Caribbean has diminished must be the measure of our sincerity.

The Acting Speaker (Mr. Richard): Order. It being six o'clock the hour appointed for the consideration of private members' business has expired. The House will now resume the business interrupted at five o'clock.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISION RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): Order. House again in committee of the whole on Bill C-207, an act respecting the organization of the government of Canada. Spring seems reluctant to appear, but hon. members have

moved very quickly from the rigours of the north to the sunny comfort of the Caribbean in less than one hour. However, the committee will now adjourn and will return to the north at 8 p.m.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

The Acting Chairman (Mr. Richard): Order, please. House again in committee of the whole on Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto. When the committee rose at five o'clock it was considering clause 8.

On clause 8—*Department of Energy, Mines and Resources.*

Mr. Greene: Mr. Chairman, I thank hon. members for being so patient with my rather lengthy review of the matters raised in questions posed by hon. members. I have tried to the best of my ability to answer at least the major questions asked by hon. gentlemen opposite. May I finish the point I was making at five o'clock respecting foreign ownership. Although we have stressed that Canadian ownership would be one of the ingredients which would receive preference under the guidelines, we have purposely not made any complete, final and definitive resolution as to the quantum or nature of the ownership because we did not known the complete economics of such pipeline or pipelines. We wanted that decision to be made when applicants came forward with active propositions.

Very likely, this will be a single applicant because of the magnitude of the enterprise. We can determine at that time whether the degree of Canadian ownership is sufficient. If it is clear from the economics of the project that we might either have to take a certain degree of Canadian ownership or postpone the project, or not go ahead with it for the time being, if it were not feasible in any other way, the decision would have to be made at that time. To make the decision in advance, before knowing what the economic connotations of the pipeline are, we thought would be prejudging the issue before we had the facts with which to judge it.

As I was saying at five o'clock, we must determine our priorities for Canadian ownership or, if you like, the gradual improvement of Canadian ownership in our resources and in our Canadian industrial complex generally. We can then determine whether we want this quantum, be it at $5 billion, $4 billion or $8 billion, to be made up of Canadian savings in pipelines, or whether we prefer to have that amount of money put into other areas of Canadian ownership. I was pointing out that the line will be on Canadian territory, subject to Canadian law, subject to Canadian regulatory agencies and, no doubt, the subject matter of some pre-existing agreements either with the companies or with the United States government which will determine in large measure the responsibilities of the line for the carrying of Canadian products. It may be that this will be one area in which we will not require the quantum or percentage of Canadian ownership that we feel is essential in other Canadian resources or industrial entities.

Again I say that we have in some measure left that question open, but with a clear indication that the matter of Canadian content in all forms, including that of financial ownership, will be very much in our minds. An application with the provision of maximum Canadian ownership would quite clearly receive priority over an application with provision for a lesser content of Canadian ownership.

May I briefly deal with one other point which was raised by hon. members, the question of gas reserves. This is a very important question, and I would not want to leave in the air any question or suggestion that the government had any doubts as to the capabilities of the National Energy Board in determining gas reserves before making its decision to permit gas exports. I think the record of the National Energy Board is an extremely good one; it has been extremely good in the period that the board has served the Canadian public. I think the board has been right in a large percentage of times although, as in any other human institutions, it may be wrong from time to time. But it has been more often right than wrong. With regard to the question of gas reserves which the board determines to be available for Canadian use, present and future, before declaring a surplus for export, I think it is extremely important for the record to be kept clear. The estimates of the National Energy Board, of the requirements of Canada as indicated in their decision of August, 1970, in the matter of export applications, make substantial allowances for an increasing share in the Canadian market for natural gas.

Specifically, the estimates provided for, (a) the expansion of services to Vancouver Island, (b) a generous allowance for thermal electric use in British Columbia, which is not used at the present time, (c) a total allowance for Alberta, almost identical to the estimates made by the Alberta Oil and gas conservation board, (d) an allowance for Saskatchewan to support a much higher level of potash production than foreseen by some of the applicants for export licences, and (e) an allowance for the use of natural gas in the Hearne plant of Ontario and two possible other hydro plants.

The National Energy Board, in declaring the quantum of gas which could be declared surplus to Canadian requirements, and thus available for export, sought to establish an amount equal to approximately 30 years of Canadian need at the current level of demand. It may be argued that this amount is not enough or is too much, but I would point out that in the producing areas some people feel that this is far too conservative an estimate. They have argued that this would inhibit exploration and thus, in the long run, diminish the reserves that would be available for Canada.

• (8:10 p.m.)

So we can have the argument both ways. It may be argued that this amount is not enough, or is too much.

However, in the board's judgment it was the correct amount to set aside for future Canadian requirements and the government relied on the board's judgment. I am prepared to back the board against any so-called experts upon whom others feel they can rely. In this regard, I might say the hon. member for Nanaimo-Cowichan-The Islands indicated he relied on other experts. His view of the board's judgment was the opposite to that of those in Alberta who contend the board was too cautious and, hence, inhibited growth. The hon. member's experts apparently are of the opinion that the board was too optimistic and should have kept much more gas for Canadian use in inventory.

If there is such a group of experts, I am sure the government and the board would be glad to hear from them and compare their expert judgment to that of the very great expertise which exists on the board. But until we hear from experts whose credentials are more notable and whose record is established as being superior to that of the board, or whose argument is so profound as to indicate the board was wrong in its judgment, I think we can and should rely on the judgment of the National Energy Board in this regard.

My hon. friend frowns on exporting that which is surplus to Canadian needs. Perhaps I might examine the economics in respect of no further exports of surplus. As I indicated, in respect of the non-export of oil there will be a substantial cost of holding the surplus in inventory. The Canadian Petroleum Association has estimated that it would cost $3 million to carry one trillion cubic feet in inventory for one year. That, of course, is a cost that would be borne by the consumers of gas be they Canadian or others, and most of the gas—I believe some 60 per cent or more—is consumed by Canadian consumers. These consumers would, of course, bear the cost of holding the gas. The price of holding these resources in Canada in the long run, as I say, would have to be borne by Canadian consumers through much higher prices and a decrease in additions to reserves because of reduced cash flow to producers and explorers.

My hon. friend also asked what proportion of the readily accessible gas is being held in reserve for the use of Canadians. I would point out that some 36 trillion cubic feet, or two-thirds of the established reserves of 54 trillion cubic feet, are dedicated to the Canadian market. The Canadian Petroleum Association estimates the potential reserves of gas in Canada are 725 trillion cubic feet. Reserves found to date represent only about 9 per cent of Canada's potential reserves and, as I say, two-thirds of those are held for the Canadian domestic market.

I might also briefly refer to the hon. gentleman's concern in respect of the recent hearings of the board at which the president of Trans-Canada Pipe Lines indicated there was insufficient gas to satisfy the needs of current application. I would point out that as a result of hearings and subsequent investigation, the board has found—and the decision of the board is now public record—that Trans-Canada has sufficient gas to meet the requirements of application and could deliver the gas to satisfy those particular contracts.

Mr. Benjamin: Do you still believe the president?

Mr. Greene: Well, Mr. Speaker, the applicants before the board of course are there to make a particular case and to seek approval of the board for a particular application. They are partisans in the particular application, and, of course, make—as I believe would any applicants in such a proceeding—as forcible a case as they can. But I am merely citing the decision of the board in that particular case.

One further matter I might briefly touch upon, which I believe hon. members would be interested in having an answer to, concerns the allusion to the report of the National Energy Board on the subject of energy supply and demand in Canada from 1968 to 1990 which was published in December, 1969. First, I would point out that this is the report of the staff of the National Energy Board and is not binding on the board itself sitting as a judicial or quasi-judicial body. The board, of course, is not bound by the findings. Its staff is presenting this report, so that the Canadian public generally, the parliament of Canada and potential consumers might be advised of the prognostications in respect of supply and demand. The board in each case, however, must be satisfied by any evidence current at the particular hearing as to what reserves are available on that particular day.

I think this should resolve any qualms hon. members might have that this report of the board's staff is in any way binding on the board in any future hearings. It is merely an information document which is available to the people of Canada and to parliament concerning the prognostication for energy supply and demand.

The hon. member for Nanaimo-Cowichan-The Islands had some concern that in the 1990 prognostication the board indicated that the demand for natural gas in Canada would be, on a per capita basis, the same as that which existed in the United States in 1975. He found, by reason of our climate, that there was something inordinate in this conclusion. Might I point out that, again, these are the prognostications of the staff and are not binding upon the board. That conclusion was based upon the premise that some 42 per cent of Canada's energy needs in 1990 would be met by electricity generated in Canada, whereas in the same period in 1990 the prognostications are that only some 9 per cent or 10 per cent, if memory serves me correctly, of the United States demands for energy will be met by electricity. This possibly is the reason, in making its conclusions, that the board's staff determined that a far higher percentage of the needs would have to be met by natural gas in the United States.

I think, Mr. Chairman, to the best of my ability I have tried to answer most of the questions. I apologize to members for having taken so long, but this is a subject matter of great importance and one, needless to say, in which I am very much involved and exercised about. I thank hon. members for bearing with me.

Mr. Forrestall: Mr. Chairman, I know there is some agreement, and I give the minister his due because I think much of what he said in the last hour and a half

has been most useful and will bear re-reading. But I am a little disappointed that he did not have anything to say about tidal power. I wonder, before we move on, whether he could indicate whether or not meetings are contemplated between agencies responsible for the generation of power in Nova Scotia and New Brunswick and officials here in Ottawa in respect of power generally, and the Minas Basin tidal power in particular. If he would tell us when meetings might be contemplated and give some indication of what they would be talking about, I would be happy to move on.

• (8:20 p.m.)

Mr. Greene: Mr. Chairman, with respect to the point raised by the hon. member and, I think, the hon. member for Halifax-East Hants who spoke on the same subject, I apologize that I did not go to the question of the Minas Basin power. I did not do so, advisedly. I hope I am not betraying a confidence—I do not think I am—when I say that at the request of the provinces there are to be meetings tomorrow between my officials and the officials of the New Brunswick and Nova Scotia power authorities in respect of the Minas Basin study and the possibilities of review. So I did not think I could add anything useful by discussing the matter at this time.

Whether or not as a result of those discussions I will be able to make any public announcement, I really do not know; but this is a tripartite study embarked on by the federal government, the government of Nova Scotia and the government of New Brunswick. I have felt all along that as the government we should not embark unilaterally upon any changes or upon any frolic of our own with regard to the Minas Basin, but that we should move, as we have before, in any study procedures, at least, in conjunction with the provinces if they so wished. I am informed that the provinces have requested this review at the official level, on a technical level, which is to take place tomorrow morning.

Mr. Barnett: Mr. Chairman, the hon. member for Nanaimo-Cowichan-The Islands is not here at the moment, but I am sure that if he were he would agree with me that whether or not the minister has answered all the questions which he raised when he was speaking on Friday, at least the minister has tried to deal with the subject matter of those questions. In fact, I must say that in listening to the minister I had a feeling that if the late Hon. Jimmy Gardiner had been here today to hear him, he would have been willing to admit that at last he had met his match in the Minister of Energy, Mines and Resources.

I do not rise to prolong or to renew the debate that has taken place between the hon. member for Nanaimo-Cowichan-The Islands and the minister on this question of the energy policy, the export of gas, and so on. My only comment would be that as I listened to the minister relating his remarks to those of the hon. member for Nanaimo-Cowichan-The Islands it became abundantly clear, to me at least, that whereas the minister kept referring to gas resources as if they were property of a few individual corporations, my leader was thinking in terms of the fact that they really are the heritage of the Canadian people and, as the minister indicated—and on this he agrees with the hon. member for Nanaimo-Cowichan-The Islands—are in the classification of non-renewable resources.

I would like to ask one or two questions related to another passage of the minister's statement today, namely, the question with which he dealt at some length pertaining to the possible construction of an oil and gas pipeline down the Mackenzie River valley. He himself indicated that much of what is involved, because of the very size, nature and complexity of the project, lies outside the ambit of the ordinary considerations of the National Energy Board. Some of us, as we listened to the pronouncements of the minister in response to questions and in an earlier debate on this subject, felt as if here in Parliament we were being asked to consider positions being taken by the government almost in a vacuum.

I would like to ask the minister one or two questions in this context. It seems to me that very germane to the question of what can or should be done in connection with the construction of an oil or gas pipeline, or both, down the Mackenzie River valley is the legislative action which we took in the last session in respect of the Territorial Lands Act and, in particular, with reference to the land use regulation. When we discussed this bill in committee, some of us in the committee and in the House thought we had a pretty clear undertaking that some time during the earlier part of this session the House or the standing committee would be seized of the draft regulations that were proposed, because it was not disputed in committee that the meat and substance of the legislative changes that we were being asked to approve lay in what would in fact be the land use regulations.

So far we have not had a chance to see what those land regulations are, and this is what I mean when I suggest to the minister that in effect we are being asked to consider and discuss the pros and cons of the proposed pipeline construction in a vacuum. We have no point of reference that has any real meaning or solidity to it.

I recognize that the administration of the Territorial Lands Act is the responsibility of the Minister of Indian Affairs and Northern Development, and that he is absent on a trip in connection with another aspect of his duties. But it does seem to me that it would be very useful, in considering the questions that have been raised in this debate on the proposed changes to the operation and function of the Department of Energy, Mines and Resources, to have some definitive information on what in fact is in those land use regulations. We would then be in a much better position to discuss and assess the kind of questions that come to our mind with regard to whether or not this development would be ecologically sound.

We do not know what areas will be encompassed in those land use regulations. We do not know, except in a very general way, whether they will be drafted in relation to the varying degrees of sensitivity of the ecology in the northern areas. The House of Commons is being asked to come to grips with what the minister himself has described as some of the most momentous and far-

reaching decisions in which Parliament will be involved in our lifetime, decisions of magnitude that vitally affect the whole future course of events for the Canadian nation. Such a simple thing as honouring a commitment to place before Parliament these land use regulations should be fulfilled before we get further into the decision-making process, further in our attempts to assess the pros and cons of the statements that various ministers have been making.

I hope that the minister, who I know has been closely involved with his colleague, the Minister of Indian Affairs and Northern Development, in the formulation of what he referred to as guidelines and in discussions that they have had with the oil interests, will be able to shed some light on when, in fact, we can expect to be given the kind of information that might flow from a chance to examine and study the land use regulations for the territories.

• (8:30 p.m.)

Mr. Greene: Mr. Chairman, as the hon. member quite properly says, the land use regulations under the Territorial Lands Act do not come within the purview of my responsibilities. Quite apart from any possibility of a pipeline, I think that if an undertaking were given it would be fulfilled as soon as possible by the government or the responsible minister. I want to assure the hon. member, whose concern in these matters is not of recent vintage and who has shown a great interest particularly in the ecological problems affecting these questions, that prior to any hearing taking place before the National Energy Board the government's ground rules and the basis for them will be made very clear.

I might point out that this has been a very different situation from 1956 when, as I understand it, the debate in respect of the construction of the pipeline was probably the first opportunity Parliament had to get its teeth into the problem. I would point out that since then we have had the National Energy Board Act. Many hon. members have evidenced their concern that there should be a hearing. I do not know whether there will be other hearings. There may be other hearings; for instance, to determine problems peculiar to the administration of the Northwest Territories. But certainly there will be hearings before the National Energy Board, something which was not the order of the day in 1956.

The application of any applicant before the National Energy Board will be a matter of public record, a public document, a public application which can be studied by any interested members or by the public. Any government decision affecting the hearing will be made public well ahead of any hearing, and certainly any member of the public or any public organization will have full right to appear at such hearing. There may never be a hearing about an oil pipeline in our lifetime, as I think we have made clear in our discussions with the industry. We have no assurance whatsoever that any application will be made with respect to an oil pipeline; so it may be that all our debate here will have turned out to be in vain, although it has been a very useful debate.

If such an application does ever come, I think it is extremely important that the House has considered all aspects of the possibilities well ahead of the event. And I believe, in my humble judgment, that there will be an application about a gas line. I think the economics of a gas line are very much a probability. I can only assure the hon. member that before such a hearing takes place we will make public any government determinations, including the land use regulations, if they are applicable, or such rulings apart from the regulations as may be made by the Department of Indian Affairs and Northern Development with regard to the location of the pipeline. We will consider the corridor, etc., so that all members will have the maximum knowledge and information available to them prior to the hearing. Therefore, this public hearing, which will be available to the people of Canada prior to such an important decision, will in fact be a useful public hearing wherein there is maximum information and, hence, maximum capability not only to hon. members but to Canadians generally to make their views known to that tribunal.

The Acting Chairman (Mr. Richard): Shall clause 8 carry?

Mr. Harding: Mr. Chairman, last Friday I posed several questions to the minister which he partially answered today. I would like to get a little more information from him tonight on matters which I think are of general interest to members of the House. I listened with a great deal of interest to the minister this afternoon. I think we all appreciate the information he gave us on the various matters with which he dealt. Everyone realizes the tremendous scope we have in the field of energy resources and how important these resources are to the well-being of Canada.

The other day I asked the minister this question—and I repeat it now: Are ecological studies under way in the minister's department or any other department to determine the possible effects of oil pipelines on the ecology of the north?

Mr. Hogarth: I rise on a point of order, Mr. Chairman. We have spent almost 20 days in debate on this bill. I understand that we are in committee of the whole considering clause 8 which deals with the differentiation between the duties of the minister who has just spoken and those of the new minister of the environment. I ask, what is the relevance of the question asked by the hon. member to this particular clause? It seems to me we must get ahead with the bill. We are getting absolutely nowhere by ranging over the whole field of natural resources when considering clause 8.

The Acting Chairman (Mr. Richard): Order, please. The hon. member for Kootenay West will appreciate that he must relate his remarks and questions to the subject matter of clause 8. The explanatory notes to the clause are clear enough. They read:

The amendments proposed by this clause would distinguish between the duties of the Minister of Energy, Mines and Resources and those assigned to the Minister of the Environment—

On the other hand, during the good speech which we listened to previously we heard a great deal about the ecology and studies on ecology, even though I must admit that I still know very little about the ecology after listening to a lot of what has been said about it. I hope the hon. member for Kootenay West will relate his question and statements to the clause under consideration.

Mr. Harding: Mr. Chairman, I am amazed that any hon. member would try to stop others from asking questions about problems connected with a pipeline in the north, when the minister himself has spent two hours this afternoon and this evening dealing with one—

The Acting Chairman (Mr. Richard): Order, please. The Chair has been trying to co-operate with hon. members on both sides. I ask the hon. member to proceed with his questions and statements on clause 8.

Mr. Harding: Thank you, Mr. Chairman. I am quite certain that the points I am going to raise are along the lines which the minister has been discussing this afternoon. He has given the House a complete outline. We are trying to get a little more information from him on the various points which he raised this afternoon.

Mr. Hogarth: Let us get on with clause 8.

Mr. Harding: That is exactly what I am doing. I would like the minister to indicate what research programs are being undertaken by his department on the effect of pipelines on the ecology of the north.

• (8:40 p.m.)

Mr. Hogarth: Mr. Chairman, I should like to raise the same point of order. With the greatest respect, that question has absolutely nothing to do with clause 8.

An hon. Member: Where were you this afternoon?

Mr. Hogarth: It appears to me that when the hon. member suggests—

The Acting Chairman (Mr. Richard): Order, please. The Chair does not need to be reminded of what has already happened. I ask the hon. member for Kootenay West to speak to the clause and avoid any reference to the point of order, whether it was a legitimate point of order or not.

Mr. Harding: Thank you, Mr. Chairman. However, I should like to raise this point of order: Why have you permitted a wide ranging debate on the very topic that I am trying to discuss now?

Some hon. Members: Oh, oh!

Mr. Harding: The minister has ranged over the whole field.

An hon. Member: From 3.30 to six o'clock!

Mr. Harding: All I am asking is the same privilege that you extended to the minister and other members in this matter.

The Acting Chairman (Mr. Richard): Order. I think the hon. member should realize that I have been asking him to proceed. The hon. member has been given the floor repeatedly to speak to clause 8.

Mr. Harding: Mr. Chairman, I have already asked the minister a question and I was waiting for his reply. I asked what studies are going on in the minister's department in connection with surveys on the ecology in relation to this pipeline.

An hon. Member: That will take a full day's debate.

Mr. Greene: Mr. Chairman, I did the best I could this afternoon in more than the time allotted to me to answer the very wide range of questions posed by hon. members of the opposition, including the leader of the hon. gentleman's party. I think this is what hon. members would want, that I should try to answer as best I could in the time available to me.

With respect to the various studies on ecology and other subjects that are going on, if the hon. member for Kootenay West will take the time, he will find that when this question was raised on a previous opposition day, I think a week from last Friday, I tried to give as comprehensive an answer as I could regarding the various studies going on in my department, in the National Energy Board and in the Department of Indian Affairs and Northern Development. My colleague, the Minister for Indian Affairs and Northern Development, spoke in the debate as well.

I felt we gave a very comprehensive review of the studies being made both in the private and public sector and in the universities in regard to the ecology safeguards in the north. If the hon. member does not find this answer satisfactory, I regret that in the ten days or so which have elapsed since, nothing new has been added.

Mr. Harding: Mr. Chairman, I have gone over the debate for several days and have found no reference to any specific program. That is what we are interested in.

An hon. Member: That is not true.

Mr. Harding: I am not asking the minister what is going on in the Department of Indian Affairs and Northern Development—his own department, I still have not received that information. In fact, on Friday the minister said that when the estimates were up—he was referring to these estimates—he would expand on the projects that were under his department, but apparently he is not going to do that.

There are a couple of other questions, Mr. Chairman. The minister was speaking about natural gas supplies and indicated that apparently Trans-Canada Pipe Lines have recently been before the National Energy Board. I ask the minister now how recent was this hearing between Trans-Canada Pipe Lines and the National Energy Board, on natural gas supplies to eastern Canada?

Mr. Greene: Mr. Chairman, the hon. member's leader referred to the hearings. As I recall it, these hearings were within the last month or so. I cannot put my finger

on the document but I believe that is so. I referred the hon. member for Nanaimo-Cowichan-The Islands to the board's decision, and I think that answered his query.

Mr. Harding: A further question, Mr. Chairman. There was some indication that Trans-Canada Pipe Lines had an opportunity to vastly increase sales to their customers in eastern Canada. Some weeks ago, before the final hearing took place, there was an indication that they had been told by the pipeline company that the supplies just were not there; there were not sufficient supplies to increase sales. Do I understand that this problem has been solved, and that an unlimited amount of natural gas is available to customers in eastern Canada?

Mr. Greene: Mr. Speaker, I think that was the point raised by the hon. member for Nanaimo-Cowichan-The Islands. In its report of February, 1971, the board found that Trans-Canada Pipe Lines has in fact contracts to meet the gas requirements of the particular application. The board does not make findings *in vacuo*; they have not found they have sufficient gas to meet all possible demands from now on. What they found in the August decision was that there is 54 trillion cubic feet of proven reserves in Canada. In the February decision they found that Trans-Canada had sufficient gas under contract to meet the particular application in question, and that the February decision adverted to—

The Acting Chairman (Mr. Richard): Order, please. With all due respect, I think there has been sufficient discussion outside of clause 8 at the present time. Further discussion should be limited to the subject matter of the clause.

Mr. Harding: I am going to go back to the question of a national grid which I raised the other day. This deals with hydro power, energy derived from power, if that is what my friends on the other side want. I am going to ask the minister—

Mr. Borrie: A point of order—

An hon. Member: Filibuster!

An hon. Member: This is the first time he has got to his feet since Christmas.

Mr. Harding: Mr. Chairman, it is quite obvious from the explanatory note that this clause will distinguish between the duties of the Minister of Energy, Mines and Resources and those assigned to the minister of the environment.

Mr. Borrie: It certainly does not appear to me or to other members of this House, Mr. Chairman, that the member is being relevant to the discussion.

The Acting Chairman (Mr. Richard): Order, please. I again ask the hon. member for Kootenay West to limit his remarks to clause 8 and not to introduce subjects which are foreign or may belong to another debate.

Mr. Harding: Mr. Chairman, I am dealing with energy, including energy developed from water. That is clause 8, and that is the very thing I am dealing with. I want to know how this is going to fit into the national grid. This question was raised the other day in the debate. Nothing could tie in more closely than hydro power. We are not talking about the establishment of a new department; we are talking about clause 8, which reads in part:

(a) energy, including energy developed from water;
(b) mines and minerals and other non-renewable resources;

• (8:50 p.m.)

And so on down the line. I ask hon. members to read the section. My question to the minister is: What rules are being made to establish this national grid, and just where does the department stand with respect to it at this time?

Mr. Greene: Mr. Chairman, I will bow to Your Honour's decision. I certainly do not want to transgress Your Honour's ruling as to whether I should answer this question. I am prepared to bow to your decision.

The Acting Chairman (Mr. Richard): If the minister will confine his answer to the question within the limits of the bill, I would appreciate it very much.

Mr. Borrie: On a point of order, Mr. Chairman. I was under the impression that Your Honour had ruled in my favour by disposing of the question that had been put by the member.

The Acting Chairman (Mr. Richard): Order, please.

Mr. Greene: Mr. Chairman, we are all anxious to move on with the bill. I know that hon. members opposite are as anxious as we are to get this bill through. It is the furthest thought from their mind to in any way delay or obstruct the passage of this bill.

Some hon. Members: Hear, hear!

Mr. Greene: It may well be that I can expedite the passage of this bill by answering the hon. member's questions, relevant or not. As the hon. member stated Mr. Chairman, some years back the then Minister of Trade and Commerce enunciated government policy to have a national energy grid. I am instructed that while this grid is most useful in areas of high-population density, it has been progressing at a considerable pace. The Trans-Canada grid studies were conducted in the period 1964-67. Since their conclusion, the Trans-Canada grid has been steadily evolving on sound economic grounds. This is evidenced by the New Brunswick-Nova Scotia strong connection, the Quebec-New Brunswick strong connection, the Ontario-Manitoba strong connection, the Saskatchewan-Manitoba connection announced and one in place based on the Nelson River program; and the Ontario-Quebec connection, one existing and one planned.

Thus, a strong, economic power grid is evolving through these interprovincial connections which will in due course lead to a full grid from coast to coast. It may be that the hon. member's information on this score is the one case where he was not properly informed with regard to energy policy.

Clause 8 to 11 inclusive agreed to.

On clause 26—*Department established.*

The Acting Chairman (Mr. Richard): The committee will now consider part VI of the bill, Post Office, found on page 8 of the bill. Shall clause 26 carry?

Some hon. Members: Carried.

The Acting Chairman (Mr. Richard): Shall clause 27 carry?

Some hon. Members: Carried.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, there seems to be some confusion. One of my colleagues wishes to speak on the Post Office section. Did Your Honour call it, or not?

Some hon. Members: Yes.

The Acting Chairman (Mr. Richard): Order. The Chair called part VI, and also the page number. If the hon. member wants to speak on clause 26—

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Chairman, the sound system is not working. That is the reason the hon. member for Surrey-White Rock did not hear Your Honour call clause 26. I ask Your Honour to call clause 26 again.

The Acting Chairman (Mr. Richard): Shall clause 26 carry?

Mr. Mather: Mr. Chairman, I did not hear Your Honour when this clause was called. I think the sound system was cut off at that moment.

Mr. Greene: Your colleagues can neither hear, nor comprehend.

Mr. Mather: The proposal before us under this clause states that there shall be a Post Office and there shall be a Postmaster General. The point is that the Postmaster General shall be a full member of the cabinet. As far as Postmaster Generals go, Mr. Chairman, they go very rapidly. In the past 14 years we have had nine or 10 Postmasters General; I have lost count. The turnover of Postmasters General takes place at an almost indecent rate. This is one of the few things that is weakening the generally good record of our Post Office.

It might be worth while spending a few moments to discuss this great public enterprise which we operate, the Post Office of Canada. The Post Office Department handles close to five billion pieces of mail every year. It serves five million doors across the country. It employs 47,000 people and operates some 9,000 branch post offices. Financially, the last figures I have indicate that the Post Office takes in approximately $444 million a year. Out of that it is losing almost $52 million a year, $1 million a week. This sounds like a great deal of money to lose. In a way it is. But if we consider that we have between 20 million and 22 million Canadians which the Post Office serves, the loss per capita is not very great.

If we divide $1 million per week by 21 million or 22 million Canadians, the Post office is operating at a loss of between four cents and five cents per capita each week. More than half of that four or five cents per week per capita is generated by the loss on second-class mail; that is, mail put out for commercial reasons in the hope of profit.

• (9:00 p.m.)

Over the years the Post Office has consistently done well with regard to carrying the ordinary first-class letters which it was basically set up to deliver. It has operated in this category either at a small profit or at a small loss. At the present time I estimate that the loss on first-class mail amounts to less than one cent per capita. But the Post Office has consistently lost on second-class mail, and this has long been a subject of criticism by the Auditor General and the Public Accounts Committee which have recommended that steps be taken to deal with this situation. Lest anyone assume I am suggesting that the postal loss with regard to second-class mail results from carrying small weekly newspapers, I wish to add that this loss amounts to but $2.3 million a year out of a total of $27 million in connection with profit-motivated mail.

These are some of the broad outlines of the postal business we are operating. It is a vast business, and we should consider that its purpose and use to our country goes beyond exact calculation in terms of dollars and cents. It would not be wrong to say that our postal system is contributing something to our national identity in the same way as the CBC is doing in another field. Dollars and cents are important matters to take into consideration, but one ought not to measure what the Post Office is doing strictly on that basis.

In some respects there is something very odd about the way in which the Post Office operates. For example, the public pays, through the Department of Public Works, for the accommodation of post offices across Canada. This charge is borne by the public in addition to what it pays in the course of buying postage stamps. The postal buildings are free to the Post Office. On the other hand, the Post Office performs services for a variety of departments and also to members of Parliament, for example, who enjoy free mailing facilities during the session. My view is that this is a quaint and curious situation which should be changed. In this respect we should be able to place the postal service on a strictly business basis, on a dollar and cents level.

I have drawn attention to the fact that the great loss to the Post Office is incurred in the area of second-class mail. This loss amounts to about 2 to 2½ cents per capita per week. If it desired to reduce this cost we should consider whether the second-class mail rate should be further increased, taking into consideration the social services which the Post Office provides through the circulation of all types of mail. I do not think we can sum it all up with a few references to dollar losses or gains; the postal service is much greater than that, in my opinion.

The second area in which the Post Office is losing money relates to the imbalance of what it must carry

free of charge, largely emanating from the United States. As hon. members know, the universal postal agreement is basically a simple understanding between countries that they will carry the mail of another free of charge. This is an excellent basis for co-operation around the world and 132 countries are now involved on this basis. But Canada finds herself in a unique position with respect to the United States, a country with ten times its population. Canada is naturally required in these circumstances to carry a much greater volume of mail from the United States free of charge than is the United States with respect to Canadian mail. The imbalance of foreign mail, largely from the United States, leads to a loss in the order of $5 million every year. Efforts should be continued—and I know that some are being made—to rectify this situation.

A third area in which we need to improve the situation of the Post Office involves our quaint procedure of giving free accommodation to post offices and then requiring the Post Office to service departments of government free. This is an outmoded way of doing business and we should change it. We heard from the Post Office last week some good news for a change. Instead of being told about impending increases in postal rates or reductions in the service or disputes with employees, we were told about a new and more efficient method of handling mail, a new zip code procedure, probably the best type in the world, which would speed mail deliveries. This is a good step forward.

It seems to me sometimes that in the postal service, as in other spheres of endeavour, we suffer from the fact that while we are actually living in conditions of the future, we are still mired in the old ideas of the past. Electronics, which no doubt will play an increasingly important role in the postal services, will in future make it unnecessary, for example, to mail millions of old age pension cheques or family allowance cheques, largely to the same recipients, every few weeks or so. It will be possible to have this money deposited regularly in the accounts of recipients across Canada by electronic impulses, thus eliminating the need to mail and deliver millions of these bits of paper.

In conclusion, I wish to make these recommendations. We have heard that the Post Office is contemplating an increase in first and second-class mail rates. My recommendation is that there should be no increase in the first-class mail rate. It is not very long since we increased the charge on local mail by 50 per cent and by 20 per cent in the case of on-going mail. First-class mail over the years has come very close to paying its own way and it is still in that area: out of the five cents per capita per week which I mentioned as being the cost to Canadians of the postal deficit, the loss on first-class mail amounts to between half a cent and one cent a week.

Then again, the largest part of the first-class mail no longer consists of letters written by individuals to other individuals. The great bulk of it is sent out by business firms in the form of bills—hydro bills, telephone bills, oil and gas bills, and so on—to consumers. My contention is that if the first-class mail rate is again increased, these corporations will find that their costs have been increased and will soon pass the increase back to the people who receive the bills. In effect, we may find that the ordinary letter-writers of Canada are paying twice—they will pay more when they buy stamps because the price will have gone up, and they will be charged more for their telephone or hydro bills because those bills will cost more to deliver. I say, please leave the first-class mail rate as it is.

[Mr. Mather.]

In the second place, I think it would be wise if we were to take a hard look at the profit-oriented mail in Canada. This is the area in which we are losing about half of this five cent per capita loss per week. If we have to increase this rate further, let us do so, although we must keep in mind the services in employment, the creation of business and extent of the communications which come within the realm of second-class mail. It is not a matter of saying that we are losing "X" dollars on second-class mail and have to increase the rate. We have to think beyond that and take a comprehensive look at it. I think the loss on second-class mail is about 2½ cents, at the most three cents, per capita per week.

• (9:10 p.m.)

Thirdly, let us press on to gain an adjustment of the imbalance of what it costs Canada to carry foreign mail under the international postal agreement. I think we can hope to reduce the approximately $5 million which that imbalance presently costs Canadians. Finally, I think we should realize that with all its difficulties and troubles, our postal service is a very excellent one and has set a very good example to private organizations in Canada. When you consider the millions of people it serves without error, the little cost to the community involved and the fact that it is part of a world wide organization—132 countries participate in the international postal service—I feel that our Post Office is a worthy one and that we should consider how best to improve it in regard both to its efficiency and the reduction of its costs.

Mr. Macquarrie: Mr. Chairman, I am not philosophically a devotee of the doctrine of reincarnation but tonight I have some sympathy for those who believe in that doctrine, in that my distinguished colleague the hon. member for Brandon-Souris being absent, it is my lot, happy or unhappy, to discuss before this Parliament and on behalf of my party the important part of this very controversial measure now before the committee.

It is not for me an unmixed blessing to be cast across the aisle from the Minister of Communications who is still legally and technically the Postmaster General of this country.

An hon. Member: We are going to miss him.

Mr. Macquarrie: Yes, in some ways I might miss him. I am somewhat surprised to see this particular clause of the bill come so soon before us, because not too many minutes before the adjournment I heard the Minister of Energy, Mines and Resources in full flight and it was my studied judgment that it would be many, many hours

before he and those who questioned him would be finished with their interrogation and deliberation upon that particular aspect of this measure.

I should like to say that it should be borne in mind that in these last few months the government of this country has chosen to have in charge of the very important administrative functions of the Post Office a man who is not a full-fledged minister, honourable man though he be. The government has allowed to continue week upon week a situation wherein another minister, who conveniently or otherwise divorced himself from the operations of this very important department, has carried on as Postmaster General of Canada. This has been noted. One also notes in this legislation that in this new category of ministers, and something less than ministers, the man who has responsibility for a large group of diligent public servants—the employees of the Post Office—is cast in an inferior role, whereas the other minister of this some time quodam merit department, the Minister of Communications, has but a handful of personnel under his jurisdiction yet has the senior status of a fully-fledged minister. I may be quietly disturbed by this but if I were minister of state in charge of the Post Office I would be unquietly disturbed at this sort of judgment. But it is not for me to make comments upon the value judgments of ministers of the cabinet and ministers of state.

I should like to say that I agree with the hon. member who has just spoken with reference to first-class mail. I think that for too many months the people of Canada have had to pay through the nose—or through the stamp—for the outrageous maladministration of the office of the man who is now the Minister of Communications of this country. I think that to suggest that you pile Pelion on Ossa and ask for even more, and that you follow the dismal, dreary recommendations of Peat, Marwick in one of his committees so that we would end up paying 26 cents for a first-class stamp, is a little more than even the most tolerant and insomnolent Canadians can bear.

I should like to say right now that I oppose the suggestion—as I opposed it two years ago—that, whether because of maladministration, of which we have had, God knows, plenty, whether because of increasing technological costs or whether because of unfortunate comparisons with other departments, the people of Canada who still use the mails should be soaked in order to overcome the iniquities and stupidities of those who have been running the Post Office. I do not view with equanimity the suggestion emanating, I believe, from the minister who, when this bill passes, is to be in charge of the Post Office—a man whose judgment, moderation and cordiality I admire greatly—that the only answer to maladministration in the Post Office is soaking, soaking, and soaking still further the people of Canada who still use the mails.

I have said in this House many times that while it was all very glamorous and delightful for the Minister of Communications to speak, as he often did when he was in great trouble—and the Post Office was nearly always in trouble when he was in charge—of wired cities and futuristic communications, there were still Canadians who, although I do not want to sound antique or quaint, like to have their mail delivered to them. This may sound preposterous, and Canadians may be old-fashioned or square, but they believe that a letter mailed with postage paid to the full should eventually be delivered—and this is what has not been happening in the Post Office.

Mr. Knowles (Winnipeg North Centre): Yes, it happens eventually.

Mr. Macquarrie: My hon. friend says it happens eventually. I have known of letters that have taken six months to travel 60 miles, and 12 months to travel 90 miles. I am not sufficient of a mathematician to work out the fascinating equations involved, but while the former minister talked about advancing technology we all know that the fundamental aspect of rapidity of delivery has diminished, and diminished in direct proportion to the minister's talk about the increasing cost of technological advances.

• (9:20 p.m.)

I have said before, and I say again, that I hope his successor, who has been through the ropes, who is a man of compassion and a man of understanding, will show and continue to show compassion for the problems of the users of the Canadian Post Office. We used to call them patrons. We have been cautioned against that, because a patron receives services, and that is not what you are to expect now of the Post Office. Perhaps I ought to call them users of the Post Office. In any event, I think the upcoming minister who will be in charge of the Post Office cares; and to that extent, and I am sure that in this regard I speak on behalf of my party, I would not wish to oppose his taking over the responsibilities of the Post Office.

I think he cares. I think he has been convinced that the wholesale, automatic, cold calculation whereby rural post office after rural post office has been closed has not been particularly good, especially when it has been found that under the alternative arrangements substituted therefor the treasury of this country has charged the citizens of this country who have supported this government more for service which is less satisfying and far less efficient than that which they had before.

I know that the minister who is to be in charge of the Post Office is a man of modern ideas and good will. I know that he would be the last man to accept certain suggestions and would not willingly be forced into a position in which he would need to repudiate the futuristic and 99 per cent nonsensical suggestions of his predecessor. I do not want to delve into or touch upon that particularly sensitive area.

I have spent some time in this House discussing the kind of extravaganzas the Minister of Communications has embarked upon. At times he seemed to believe that the transportation and communication of the written word was totally passé and that we should be thinking of the futuristic conveyance of ideas. Where the hardware

that was to transport these ideas was to come from was something which could be left for future generations to decide I suspect that the Post Office bothered and bored him. As I walked to the House of Commons at two o'clock this afternoon, I saw the Lapalme drivers. These are men who have come down day after day in good weather and bad weather. I thought that perhaps the minister was indulging in a sort of protective colonation. I thought that he was trying not to think too frequently of the Post Office service, which did not operate very well and which, under his inspired leadership, resulted in the diminution, decay or death of many important media of communication—daily, technical and weekly newspapers and many journals of opinion.

I thought perhaps he was adopting a protective colouration and the kind of psychological evacuation that all mortal men are inclined to follow, because I suspect he was not thinking very much of the Post Office. I suspected that he might look the other way when he saw these Lapalme workers, and that he might be thinking of Telesat and other devices for communication which were not so mundane, so dreary or so common as to involve something as simple as the delivering of mail from a remote child to its father or mother. With such devices, he would not be bothered about the delivery of a statement from a business house to one of its customers, or the delivery of a statement from the customer to the business house: he would not be bothered too much about church papers, about academic journals or about those media of thoughtful, intellectual communication which pleaded with the minister and which for months told him about the problems that would be created if he failed to relent. He was told of the strict, stringent, hurtful, unnecessary and improper inhibitions which would be placed upon the communication of ideas in a time and in a country in which the free market and movement of ideas was more important than ever before.

I can remember so well, Mr. Chairman, when the Minister of Communications, an eminent businessman far more successful in that field than I, an impecunious ex-professor could ever be, told us how he was going to assault and assail these iniquitous deficits in the Post Office and how he ranged back over the years, talking of the carelessness of his predecessors—I am afraid that I must include the minister-designate in this category—and how he condemned what he called wastefulness and lack of business capacity. I remember how he said that he was going to bring his magnificent acumen to bear and how we were to have a Post Office which by negation or by deprivation would operate in the black.

I am wondering just what he is thinking now, as he looks at the pertinent statistics. I am wondering whether he regrets the costly and painful fiasco relating to mail delivery in Montreal. I will not trouble him about the human problem; it is there for all to see, because day after day the Lapalme people parade outside this House. I will not bother him by talking of the many, many people in Canada who look upon the government as an organization which, while it takes much from them, gives to them very few things—and one of the few things it gives them is the capacity for communicating with their loved ones and others in other parts of the country. I will not dwell upon the fact that Canadians have been denied, since the Minister of Communications brought in these money-saving reforms, the benefit of mail delivery on Saturday. I am told that as a result of pressure from the Liberal caucus—one cannot give credit to the Conservatives or the NDP for this because, after all, they raised this question every day!—a compromise was reached. If you lived in the country, you could get your mail six days a week; but if you were an urbanite, you got it only five days a week. I wonder how many have suffered from this particular and rather stupid form of discrimination which came about as a result of the activities of an unusual combination of pressure groups.

As I look back over the whole Post Office story and at the man who is to be charged with responsibility in this area—I try to build him up in my mind as a man of compassion, as I have always been, and look on him with an admixture of hope and experience—I wonder what is in store for the people of Canada. Thousands of dollars have been spent and costly examinations and studies have been undertaken. If I were a member of Peat, Marwick or whoever else may be involved why, my goodness, I would not even want to go to the Senate. But when I look at the recommendations—

Some hon. Members: Oh, oh!

An hon. Member: Don't go soft.

Mr. Macquarrie: I am sorry that the Minister of Communications is leaving. In much more cogent terms I could have expressed myself, but being an eternally amiable person I tried to temper my comments as much as I could. I am just wondering what the future will be. Mr. Chairman, I have often been accused of not being sufficiently partisan and of not being eternally vigilant for political champions.

Mr. Knowles (Winnipeg North Centre): Look behind you.

• (9:30 p.m.)

Mr. Macquarrie: The Minister of Communications should know that as a Presbyterian I am well versed in scripture, and the inscription "Get thee behind me Satan" comes quickly to my mind. But as a continuing Presbyterian I have to say we owe something to the state. We believe that which is owned to Caesar must be given to Caesar. But I am not prepared to say that Caesar should get 26 cents for every piece of first-class mail, whehther it is the old Caesar behind me or the new Caesar with his good will and his good grace in front of me.

The Chairman: Order, please. I hesitate to interrupt the hon. member, but I must advise him that his time has expired.

Some hon. Members: Continue.

The Chairman: The hon. member may continue if there is consent. Order, please. It is difficult for the Chair

to know whether or not there is consent. I will put the question: Is there consent?

Some hon. Members: Agreed.

Mr. Macquarrie: I may say, Mr. Chairman, that in my 14 years here this is the first time I have exceeded the legitimate time limit. I apologize for it, although I appreciate the good will of members who have allowed me an extension. Someone called me Brutus. All I can say is that as Shakespeare said, Brutus is an honourable man. I will rest content with that designation.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, that is a difficult act to follow. The next time I have to conduct a funeral service I will look to it as a model. I suspect the Minister of Communications will probably cut it out of today's *Hansard* and file it away and say, "When the time comes to bury me, please read this".

Mr. Chairman, we welcome the main purpose of clause 26 which is to reinstate the hon. member for Longueuil as the full-time Postmaster General. I would point out that it was not our idea the last time the government organization bill was before us to downgrade the office of Postmaster General. That was the idea of the present government when it established the Department of Communications and the Minister of Communications as the person in charge of the Post Office. However, it was the government itself, when the Prime Minister wanted to do a bit of reshuffling a while ago and found that he was the prisoner of his own legislation, which asked for a shift to be made so that the Postmaster General would be a full-time member of cabinet. However, there is a question which bothers me which I believe I should put to the President of the Treasury Board since he is the pilot of this legislation.

I do not know of any other full minister in the cabinet who has attached to the legislation which establishes his status a proviso—a Damoclesian sword—under which he can lose that position. For example, in this bill there is to be established a minister of the environment and he is to be the minister of the environment—period. By clause 26 now before us we provide that there shall be a Postmaster General, but we keep alive in subclause 3 the provision that if the Prime Minister does not name anyone as Postmaster General, the Minister of Communications gets the job again. It would be a fate worse than being buried to have him back again. However, as long as he stays on this side of the House we are probably safe. What is the reason for subclause 3 in the new section we are enacting by clause 26? Why do we not just appoint the Postmaster General and give him the job without any strings attached to it? Can the President of the Treasury Board answer my question?

Mr. Drury: Mr. Chairman, of course, one of the reasons for proceeding in this manner is to make as little change in the previous statute as possible. This particular provision makes a lesser change than a complete withdrawal of the procedure that would be involved in the re-enactment of the position of Postmaster General by itself. It also provides greater flexibility for the future, without the necessity for statutory amendment should the occasion arise when the dual functions would be performed by the Minister of Communications as head of that particular department and also responsible for direct supervision of the Post Office, as was the case a year ago.

I think hon. members are aware of the studies under way, looking to the possibility of at least the feasibility of setting up the Post Office as a Crown corporation. Whether or not it would be desirable to have a full-time departmental minister in charge of a Crown corporation with no other duties, I believe is a question which probably remains to be answered. However, whether it is desirable or not, the proposed legislation would allow either course to be followed. I do not believe there is any significance in it other than I have outlined.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I confess I had thought there might be some relationship to the studies in respect of a Crown corporation set-up for the Post Office, but it seems to me if that were done it would require legislation to be placed before Parliament and surely in that legislation we would settle the question concerning the direction of that corporation. In other words, I am still left with my question as to why the present Minister without Portfolio who is in charge of the Post Office when he becomes a full minister is to be the only member of the cabinet who has to have a back door open out of which he might be pushed at any time. We like the hon. member for Longueuil and we want him to have the same status as any other member of the cabinet. Does the President of the Treasury Board not want that too?

Mr. Drury: I do not think the continuing in office of the prospective Postmaster General is dependent on statutory security, but like him I share the view that the prospective Postmaster General is so adequately equipped for the job that he does not need statutory protection.

• (9:40 p.m.)

The Chairman: Shall clause 26 carry?

Mr. Bell: No, Mr. Chairman. I have a question in my mind that I would like to bring forward. I am not sure that the President of the Treasury Board is ready to deal with it. We heard a big song and dance a while ago about the assured mail delivery plan, whereby mail is posted in Toronto in the morning and it is guaranteed that within 24 hours it will be delivered in certain cities in Canada. I will not mention which city the minister considers to be the most important in Canada, but Saint John, New Brunswick, is not mentioned in this list.

I would like to ask him—if he cannot give me the answer tonight, he can give it later—whether we did not have for many years a 24-hour delivery in Canada and, if so, what is the idea of all this big story about a new plan? In other words, how many cities in Canada did not

have a 24-hour service and are not getting it, or was this just a big smokescreen to try to play up the Post Office Department? Is there something really new in this service?

Mr. Côté (Longueuil): I can answer that, Mr. Chairman. While I am on my feet I would answer some other points raised during this short debate. Certainly I consider Saint John to be as important as any other city in Canada, but the difficulty lies in the transportation system between Toronto and Saint John. This is what stops us from providing the guaranteed 24-hour service. This does not mean that Saint John will not get this service, but the guarantee can only be given once the air transportation system is reorganized. Shortly, mail from Saint John to other cities will receive the 24-hour guarantee.

I should like to make a few remarks regarding the point raised by the hon. member for Surrey-White Rock. The Post Office deficit is not $52 million. Last year it was $120 million and this year we forecast a deficit of $113 million. He believes that there should be no increases in first-class mail because this might stop some people from using the mail service. Let us not forget that 80 per cent of first-class mail is taken up by industry and commercial letters. It is for the government to decide if we are going to spend $120 million or a large part of it to subsidize industries and commercial concerns, or if we are going to use it in other departments for other purposes. I must say that I found the remarks of the hon. member for Hillsborough to be unfair with regard to my predecessor.

[*Translation*]

My predecessor, as well as my successor, did the reorganization work that was necessary. This was not an easy task and certainly created some problems. My predecessor continued the work already started and hired very capable personnel. Due to their outside experience, these offices were able to give considerable help to the Post Office Department, and they certainly will contribute to its modernization.

This covers about all hon. members have said, Mr. Chairman, and I am satisfied with these few remarks.

[*English*]

Mr. Comeau: Mr. Chairman, I have just one question for the minister. I should like to ask him whether the situation has reverted to normal since he took office. For example, he seems to have stopped the closing of post offices in rural ridings. Has this been stopped, and is the situation getting back to normal? Is he planning some improvement of the service, and what improvements is he planning aside from those he announced recently?

Mr. Côté (Longueuil): The service has been improved to a certain extent. We have had a lot of trouble, not necessarily because of my predecessor but because there have been many problems with the employees. There have been many strikes during the time he has been in office. It just happened when he was there. Perhaps I was lucky not to have been in office at that time, because it might just as well have happened had I been there. Apart from that, I think that we had to gain the confidence of Post Office employees, because for almost a year there have been many disruptions and unrest. So the service had to be improved, and I think that is what we have been able to achieve in the last few months.

We have decided to stop the closing of small, rural post offices because even if it saved us many thousands of dollars a year it is not worth doing as this may create a lot of unrest in the small communities where post offices would be closed. This is the reason that I decided not to close any more where it was possible. I think that the morale of the employees of post offices has improved greatly. Their productivity has increased, and as a result the public of Canada will obtain a better service.

Mr. Benjamin: Mr. Chairman, I listened with interest to the question raised by my colleague, the hon. member for Winnipeg North Centre, and the reply given by the President of the Treasury Board who is not here at the moment. Frankly, I think the President of the Treasury Board was reaching a fair distance for the reasons for which subclause 3 of clause 26 reads. I think this is really a case of sloppy drafting, or an attempt by the government to preserve some kind of pecking order within its own ranks. Either we are to have a separate minister in charge of the Post Office, or we are not.

The Prime Minister may at any time choose to have a person in charge of each ministry, or he may choose to double up ministers and have one person in charge of two or three departments. There does not need to be any legislation. The feasibility of setting up a Crown corporation instead of a Post Office Department is something that is yet to be heard about in a formal manner in the House; and, as my colleague the hon. member for Winnipeg North Centre said, that would require legislation. If at that time the government of the day wanted to set up such a Crown corporation, they would put a provision in the legislation which would do away with a separate minister of the Crown in charge of the Post Office. I think that essentially the clause is sloppily drafted, or it might be due to an oversight on the part of the drafters or the President of the Treasury Board.

Therefore, I would like to move an amendment to clause 26 as follows:

That clause 26 be amended by deleting the words "Subject to subsection 3" from line 16, and by deleting the lines 22 to 29 on page 8.

This would clean up the clause and eliminate what I think is superfluous wording in the bill.

Mr. MacEachen: Mr. Chairman, could we get a copy of this amendment so that we can examine it before we are asked to discuss it?

The Chairman: Order, please. If members of the committee are in agreement—and I understand the concern of the President of the Privy Council—I will read the amendment, without putting it in a formal sense, so that hon. members may consider it. If hon. members wish to make representations to the Chair about its procedural correctness, and want to consider the question, I might see another speaker on the substance of the matter.

Perhaps I should read the amendment without accepting it, subject to what other hon. members have to say. It is moved by Mr. Benjamin:

• (9:50 p.m.)

That clause 26 be amended by deleting the words "Subject to subsection 3" from line 16, and by deleting lines 22 to 29 on page 8.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, because you have the only written copy of the amendment I am not surprised that hon. members opposite want to know precisely what is involved before they are called upon to vote on it. If I may take the two parts of the amendment in the reverse order, what it does is delete subclause 3 entirely. That is the subclause which provides for the Minister of Communications to be the Postmaster General if the Prime Minister does not fill the post itself.

Then having deleted subclause 3, as a consequence it is necessary to delete the words "Subject to subsection 3" at the beginning of subclause 2. If the amendment carries the clause would have only two subclauses, one of which would say that there shall be a department known as the Post Office Department and the second of which would say the Postmaster General shall preside over it. In other words, it would put this minister on the same footing as all other ministers. It takes away the Damoclesian sword, and I believe the President of the Treasury Board would like to accept the amendment.

The Chairman: If there are no other members of the committee who wish to make representations, the Chair is prepared to accept the amendment and put the question.

Amendment (Mr. Benjamin) negatived: Yeas, 17; nays, 41.

The Chairman: Shall clause 26 carry?

Mr. Southam: Mr. Chairman, it had not been my expectation to speak on clause 26, for the simple reason that those hard taskmasters across the way have been keeping us so busy in the Standing Committee on Agriculture for the last week or two that I did not expect to be in the House. But having had an opportunity to be here this evening and listen to the debate, I feel I must make a few remarks.

The hon. member for Hillsborough and the hon. member for Surrey-White Rock gave a pretty good resumé of the situation existing in this important department of government, and the hon. member for South Western Nova touched on a question that concerns me as a member from Saskatchewan; that is, the cut-back in services which the people in the rural areas of western Canada had to accept under the administration of the predecessor to the minister state who is to take over responsibility for the Post Office. The minister designate defended his predecessor against the criticism of the hon. member for Hillsborough, but in all truthfulness those criticisms were justified. Last year in Saskatchewan some 175 or 176 post offices were eliminated, with a consequent diminution of service to people in the affected areas. Naturally, there was a strong backlash of criticism from people who had been accustomed to this government service.

Some of the people most affected are those who live close to the boundaries of the province. For instance, I happen to live about 3½ to 4 miles from Manitoba. Formerly, a citizen of Manitoba could post a letter on Friday afternoon around three o'clock and expect to have it delivered in the next town, or in the two or three neighbouring towns, an hour or so later by the truck which came up from Brandon. Then the government decided, as an economy measure, that it could not afford to have trucks crossing provincial boundaries. It said it could not afford to buy licences for trucks crossing the boundaries. As a result a letter posted in Pierson, Manitoba, on Friday afternoon is taken by truck back to Vinden, then to Brandon, forwarded from there to Regina, Saskatchewan, sent back down to Estevan and then back down to Gainsborough and is delivered about four days later. The pony express, the smoke signals of the Indians, and the use of carrier pigeons, gave better service than that. Can the minister say if he is giving consideration to the restoration of service across provincial boundaries?

Mr. Côté (Longueuil): Mr. Chairman, I believe we are rearranging transportation for these postal facilities in the Saskatchewan area so that the service will be much improved in the future.

Mr. Barnett: Mr. Chairman, I have just one question to ask.

The Chairman: Order, please. It is ten o'clock.

Mr. Drury: Mr. Chairman, if the hon. gentleman has only one question it might be of interest to us all to hear it, to receive an answer and perhaps not see the clock right away.

Mr. Barnett: That is what I was going to suggest. It is not very often we have two responsible ministers here at the same time, or should I say two ministers who presumably are responsible in this area? Earlier in his remarks the minister responsible for the Post Office made some reference to the question of salaries of people working in the Post Office Department and to some of the events that have taken place over the last year or so. I would like to ask him, or the President of the Treasury Board, whether consideration is now being given to the salary of people in the category of postmasters.

• (10:00 p.m.)

I am thinking of staff office postmasters. I have not had an opportunity to explore this matter, but it has come to my attention that in some cases the man in charge of a staff post office is receiving less salary than some of the people working under him. I wonder whether this matter is under review and whether early action will be taken in regard to postmasters and other administrative personnel within the department.

Mr. Côté (Longueuil): Yes, Mr. Chairman, we have had representations about salaries being paid, and we have received demands by some people in charge of post

offices because it appears that some of them are making less money than the clerks or letter carriers. We are looking into this question right now.

The Chairman: Shall clause 26 carry?

Clause 26 agreed to.

Progress reported.

* * *

BUSINESS OF THE HOUSE

Mr. MacLean: On a point of order, Mr. Speaker, could I ask the President of the Privy Council whether it is the intention to proceed with third reading of Bill C-215, the textile bill, tomorrow and, if not, would he indicate the business of the House for tomorrow?

Mr. MacEachen: Tomorrow the business will be consideration of the government organization bill. If there is any disposition to alter that, we could discuss it later tomorrow afternoon.

Mr. MacLean: If we continue with the government organization bill and the section we proceed with is passed, would the minister indicate which of the clauses that have been stood would be reverted to? Shall we return to them in sequence?

Mr. MacEachen: My understanding is that it was put on the record by the President of the Treasury Board that when we passed the part dealing with the Post Office we would proceed to the superannuation clause, then return to the ministries of state and parliamentary secretaries and to the clause in connection with the department of the environment.

PROCEEDINGS ON ADJOURNMENT MOTION

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

REGIONAL ECONOMIC EXPANSION—INCENTIVE GRANTS—ACQUISITION OF PROPORTIONATE EQUITY IN RECIPIENT COMPANIES

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I could not help but notice your impatience with the delay in proceeding with the adjournment debate tonight. I can only take it that you must be anxious to hear the hon. member for Fraser Valley West. For that reason, I should like now to take part in this debate because I think there is something basically wrong and inequitable in the way the Minister of Regional Economic Expansion (Mr. Marchand) makes awards of public money under the Industrial incentives act. As I see it, what is basically wrong is that the priorities of industry rather than those of government initiate the series of procedures which culminate in a plant or industry locating in community "X" rather than in community "Y". We in Canada have some serious regional economic problems, and the Industrial incentives act was established to deal with them.

What was in my opinion originally envisioned as a palliative to employment in slow-growth areas should receive commendation from all quarters of this House. My intervention tonight does not deal with the principle of government stimulation to areas in need, but instead with the practicalities of how these grants are administered. As I said, it is a private corporation rather than the government of Canada which through its application of grants to industrialists—which are described by some as social welfare—provides the initiative. Little or no concern has been directed to the planning or recognition of our own national priorities.

What, for instance, does the department do about relating a particular industry to a particular area, its suitability, etc? On the contrary, it is up to the industry to make application initially. It then follows that a particular industry rather than the national government establishes whether or not a plant locates in a particular community. The celebrated economist and former Canadian, John Kenneth Galbraith, has made the point that large multicorporations have little difficulty in raising capital. They do it largely through retained earnings. What, I ask, is the rationale behind the recent awards which I will list: $1.1 million to Boeing of Canada, $6 million to that poor company from the United States called IBM, $1 million to Ashland Chemicals, and $4 million to Control Data of Canada? These are a few examples of recent grants to foreign corporations operated in our country for which, aside from the jobs produced, Canada as a nation may gain relatively little.

This prompted me to direct the following question to the Minister on February 25, as recorded at page 3740 of *Hansard*.

> In awarding these various incentive grants amounting sometimes to millions of dollars and ranging in value from $3,000 to $5,000 per job, has the government considered acquiring equity in the recipient company proportionately equivalent to the grant made?

Your Honour suggested that this was a representation. I then said:

> It seems to me that there is a basic inequity in the fact that when a recipient company makes a profit its shareholders get the benefit, but if it loses the public picks up the tab.

I asked this question for the following reasons, Mr. Speaker. First, it appears that we have put through incentive grants which total in excess of $100 million and this vast amount of money could have been used to acquire Canadian equity in certain companies, especially the foreign ones, and a greater control of our own economy—a crucial matter presently under study by the cabinet. Second, I was alarmed that grants tended to vary from region to region. This indicated no real planning at the decision-making or ministerial level. For example, Nova Scotia received $15,000 per job, Newfoundland

$1,600 per job, roughly 10 per cent of Nova Scotia's, and Ontario $7,000 per job. The Canadian average is $5,500 per job.

Certain provinces, notably Manitoba and the reactionary Saskatchewan government, have seen fit to tie equity into their incentive grants. For the proposed Meadow Lake pulp mill the government of Saskatchewan has assured 30 per cent equity as its price for its share of assistance. Surely for the $12 million requested, the government of Canada ought to consider eight per cent to 10 per cent equity as a fair proportion if the project is ultimately approved by the minister. In conclusion, Mr. Speaker, the New Democratic Party envisions the Canada Development Corporation as a Crown corporation which with the involvement of the provincial and municipal governments and co-operatives could be a means whereby a substantially larger proportion of Canada's industry and resource development could be retained in Canadian hands.

I know that a substantial portion of the minister's rebuttal will centre around the argument that industries are granted public funds as an incentive to locate away from the comparative cost advantage areas in large metropolitan regions. This argument I repudiate.

Mr. Speaker: Order, please. I regret to interrupt the hon. member, but his time has expired.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, there are many aspects of the hon. member's remarks this evening with which one could take issue. I will confine my remarks to reiterating what has been said previously in reply to similar questions. Under the terms of the Regional Development Incentives Act it would be impossible for the government to acquire equity in projects which it supports. While the government certainly considered this possibility and others when introducing the program, the legislation passed by Parliament provides for a program of grants and loan guarantees only, not one of government investment. In fact, the government would be defeating the purpose of the legislation if it were to take an equity position in these companies in return for the funds it makes available to them under this program.

• (10:10 p.m.)

An hon. Member: Explain.

Mr. O'Connell: The program is designed to create new jobs in those parts of the country where they are most badly needed. To do this, it must offer a real incentive to industries to locate or expand in areas where they might not otherwise do so. The program therefore works by providing manufacturing industries with grants sufficiently large in relation to their costs—this is why there is a variation—to enable them to undertake viable projects despite the difficulties they may encounter as a result of location in a slow-growth region. If the government were to acquire equity in return for its grants, the present incentive in favour of the slow-growth regions would disappear.

Mr. Rose: Oh, come on!

Mr. O'Connell: Think about it for a moment. The government would simply become another source of equity financing, that is, in return for the grant it would acquire an equity in the company. There would be no incentive left. While there is perhaps a case to be made for the government taking equity in certain circumstances, it would have to be in addition to the assistance available under the existing incentives program rather than a replacement for it. This is a possibility which has been considered within the department although no action has been taken in that direction.

I would refer to the hon. member to the statement made today by the Minister of Regional Economic Expansion (Mr. Marchand) before the Standing Committee on Economic Development. In this statement he referred to at least two new federal-provincial industrial development corporations which will operate in Newfoundland and New Brunswick and which, among other things, may supply equity capital in certain circumstances.

Mr. Speaker: Order. I regret to interrupt the parliamentary secretary, but his time has expired.

AIR TRANSPORT—USE OF AIR SPACE AND AIRPORTS BY SUPERSONIC PLANES—AWARENESS OF OTHER COUNTRIES OF CANADIAN POSITION

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, it always happens that when my hon. friend, my seatmate, appears on the late night show he insists that I appear along with him. We have to keep each other company.

On March 23 I directed a question to the Minister of Transport (Mr. Jamieson) with regard to the use of Canadian air space by supersonic planes. I asked him whether other countries were aware of the position taken by Canada. The minister replied that he had certainly made our position known to the United States, for example, but he did not know whether this information had been formally conveyed to other countries which might be concerned. He had not done so personally. I then asked the following supplementary question:

> Would the minister say whether he would formally convey that expression of opinion, which I heartily support, to the other countries of the world now engaged in supersonic aircraft programs?

At that point, Mr. Speaker, you suggested that my supplementary was, in fact, a representation.

An hon. Member: He was right.

Mr. Rose: Yes, it was.

Mr. Skoberg: At this point I think it is important we face the question whether or not our stand with regard

to supersonic transport is appreciated by the other countries which are involved in this experiment. All of us are aware that the United States Senate and House of Representatives have turned down requests for funds to continue the supersonic aircraft program in that country. This decision has resulted in repercussions not only in the United States but throughout the world.

All the unanswered questions regarding the effects of using supersonic aircraft are now being asked again, and I am sure that those who are concerned with the building of the "Concorde" in France and Britain are questioning whether or not the program should be carried on. Here in Canada we ought also to ask certain questions about these supersonic planes which travel between 1,400 and 1,800 miles an hour, cost between $40 million and $50 million each and create a disastrous sonic boom which could injure people and property lying under their path. Do these planes, flying at great height, produce exhaust gases which by polluting the upper atmosphere could give rise to real danger? At the same time we must realize that those people with the technical know-how to build this sort of plane are not concerned with the environmental pollution they create or whether people's brains will be damaged by resultant sonic booms.

The question that the government must answer is whether SST's are to be allowed to fly over Canadian soil and to use Canadian airports. People and planners say that airports must be built away from urban centres so that sonic booms will not wreck our brains. But how do these supersonic planes reach our airports? I am sure that the people who say we must build airports a long way from large urban centres also appreciate that rural communities are just as concerned about some booms as anybody else. It is clear from two answers that were tabled that Air Canada has on order at the present time ten supersonic jet aircraft. For the "Concorde" SST there are four line positions which call for delivery in approximately 1976. There are six line positions for the Boeing 2707 calling for delivery in the spring of 1980.

I asked the following questions of the minister: Have the Department of Transport or the Canadian Transport Commission approved of supersonic planes flying over and landing in Canada? The answer was no. Then I asked: What specific research has been undertaken by any government agency or department regarding the effects of supersonic flying over Canada? The department replied there was none, that the Department is following the development of this type of aircraft from the viewpoint of applying restrictive measures should this action appear necessary. Another question I asked was: Is the Canadian Transport Commission or the Department of Transport aware of the recent announcement by Air Canada that six Boeing supersonic planes have been ordered to be flying in Canada around 1978? The answer was yes. Then I asked: Has approval been given to the flying of the above planes over Canada? The answer was no.

There is much talk in this House of protecting the environment, of national pollution standards and clean air standards. All these aspects must also involve use of

[Mr. Skoberg.]

supersonic jets. I am sure we all realize that our nationalized airline has now on order a supersonic aircraft that has not been given permission to fly over our territory or to land at our airports. If the Minister of Transport wants to be a great statesman, all he has to do is introduce legislation to prohibit the landing of these planes at any of our airports and to prohibit SSTs flying over our territory. I am sure in this regard Canada could lead the way for other countries involved in the race for SSTs by introducing this type of legislation.

It is hard to imagine why the Canadian Transport Commission or the Air Transport Board of the commission has not done some research in this area. I am sure that if the people of Canada had their way they would not allow the SSTs, in which billions of dollars have been invested, to fly over our land and to land at our airports when they have no knowledge of the disastrous effects that could result from such flights.

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, in replying this evening to the question raised by the hon. member for Moose Jaw (Mr. Skoberg), I would like to point out that the subject matter is one which in recent months has been very much in the minds of governmental officials and elected legislators in a good many countries.

I do not think anyone would question the need for proper and effective guidelines or regulations to which aircraft capable of supersonic speeds should be limited. I recall an earlier "late show" on this very subject in January at which time the hon. member for Kootenay West (Mr. Harding) spoke of the potential harm to the environment made possible by such flights, and specific mention was made of construction programs being carried out in the United States, Russia, and the "Concorde" program being developed by the British and the French. That evening Mr. Speaker, I stated this country's policy with regard to sonic booms. I also informed the House of the extensive research being carried out by the government and by the aircraft industry. Mention was made of the work of a number of government departments which have membership on a recently established interdepartmental committee on the sonic boom and also the ICAO sonic boom panel. Our government's policy on this matter is well known—

• (10:20 p.m.)

An hon. Member: What is it?

Mr. Duquet: —to the aircraft industry, not only in North America but in every other country which has an interest in marketing such aircraft for export. Without desiring to bore the hon. member, repetition of the air regulation affecting sonic booms might be very useful at this time. Air regulation 515(2) states:

> No aircraft shall be flown in such a manner as to create a shock wave the effect of which is to create or likely to create a hazard to other aircraft or to persons or property on the ground.

I have already said, Mr. Speaker, that our policy is well known to all aircraft manufacturers in whatever

country they are situated. The minister made reference to his recent and personal public pronouncements on this subject in Canada and in the United States. I have no doubt that other countries have various means by which they are informed of such matters. As the hon. member knows, the regulations are public information and have been published in a formal way in the Canada Gazette, to which I suspect all foreign countries subscribe faithfully.

I want to assure the hon. member that the Minister of Transport (Mr. Jamieson) and his departmental officials are following very closely the present development in supersonic aircraft. I will certainly bring to their attention the specific representations made this evening.

Motion agreed and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, March 30, 1971

The House met at 2 p.m.

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received which is as follows:

Government House
Ottawa
30 March 1971

Sir,

I have the honour to inform you that the Honourable Roland A. Ritchie, Puisne Judge of the Supreme Court of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 30th of March, at 5.30 p.m. for the purpose of giving Royal Assent to certain bills.

I have the honour to be,
Sir,
Your obedient servant,
Louis-Frémont Trudeau
Brigadier General
Assistant Secretary to the Governor General

* * *

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill S-13, an act to amend the Northwest Atlantic Fisheries Convention Act, to which the concurrence of this House is desired.

ROUTINE PROCEEDINGS

VETERANS AFFAIRS

Fourth, fifth and sixth reports of Standing Committee on Veterans Affairs—Mr. Cullen.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

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AGRICULTURE

ANNOUNCEMENT OF DAIRY POLICY FOR YEAR COMMENCING APRIL 1, 1971

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have an announcement with respect to dairy policy for the year starting April 1, 1971. The Canadian Dairy Commission has been authorized to pay subsidy on manufacturing milk and cream, under its quota system, at the same rate as in the year just ending. This is $1.25 per 100 pounds of milk testing 3.5 per cent butterfat, or 35.71 cents per pound of butterfat.

The prices at which the commission offers to purchase major dairy products in support of Canadian prices will, for the present, remain at existing levels. It will be recalled that the prices for skim milk powder and cheddar cheese were each advanced four cents per pound on February 8 last, bringing the present rates to 24 cents per pound for powder and 51 cents for cheese. The butter support price continues at 65 cents per pound.

While actual prices received by producers from the market are a matter of provincial jurisdiction, these changes will mean that in the forthcoming dairy year there will be a significant increase in market prices to producers for industrial milk compared with those in effect at the start of this dairy year. There is a holdback from payments to producers toward the cost of disposing of surplus dairy products which have to be exported.

There was a change in this procedure during the past year with the adoption in Ontario and Quebec of a system of market-sharing quotas for all producers supplying milk for manufacturing use. With that change the Commission paid producers in those provinces the full rate of subsidy and a levy was made from the market payment and remitted to the commission.

This arrangement will continue during the coming year. In provinces where producers are now under market-sharing quotas, or at any time during the year when other provinces may come under the system, producers will receive subsidy at the full rate for the quantity of milk or cream for which they are eligible. This, of course, is conditional on a levy being taken from the market payment by the provincial board and remitted to the commission. In provinces not under market-sharing quotas there will continue to be a levy or holdback from the subsidy payments.

The major surplus Canadian dairy product is skim milk powder. The cost of disposing of surpluses, and the rate of levy necessary to finance that cost, is related primarily to the price which can be secured for skim milk powder exports.

• (2:10 p.m.)

Starting a year ago there has been a marked improvement in that price from the levels which prevailed previously. It is difficult for the commission at this time to estimate the price which will prevail for skim milk powder exports during the coming year and, in consequence, its costs of disposing of surpluses and the rate of levy from producer payments necessary to finance them.

It will be at least a month, and probably more, before this situation is clarified.

In the meantime, the rates of levy or holdback from producer payments will, with one exception, continue at present levels. The only change, for the present, is that the levy of 1 cent per pound of butterfat on cream

deliveries by a producer up to his quota will be discontinued.

The commission, however, may later adjust these rates when it is better able to estimate its costs of surplus disposal for the coming year.

Mr. H. A. Moore (Wetaskiwin): Mr. Speaker, I would like to thank the minister for providing me with a copy of this announcement well before the House opened. Those dairy producers who have been holding their collective breath waiting for this announcement may now let their breath out slowly because there will not be much of a change as a result of this announcement. Certainly there will be no help to counteract the increased costs which they are experiencing every year.

It is evident that there has never been as much dissatisfaction among dairy farmers in this country as there is at the present time. A few years back we had overproduction in Canada. Now production in relation to needs is just about holding its own in all provinces outside of Ontario and Quebec, or central Canada. We may soon be depending on imports. Have the powers that be no knowledge of how long it takes to establish a dairy business and the cost involved? The farmers may well end up in a position of deficit production shortly. It is evident that the prime object seems to be to get the government out of paying subsidies, with sufficient production only a secondary aim.

The past year has shown an increase in the disappearance of dairy surpluses in North America and western Europe. This tendency to decline began about the middle of 1969. Prices are therefore strengthening. There has also been a general decline in the number of dairy cows as well as in the number of producers. The average production per cow is up which shows increased efficiency in production. This is something the government is always talking about, especially the Department of Agriculture.

Since the Canadian Dairy Commission began operating in 1967 the number of registered producers has dropped by approximately 50 per cent. This means that the other half is no longer in business. Half of the former producers no longer have an income from the dairy business.

If the government insists on cheap food, subsidies must be paid. In fact, they may have to be increased; yet the government estimates a decrease for sustaining the dairy industry in the future.

In the recent agreement between Quebec and Ontario and the Canadian Dairy Commission fines were imposed—there is no other word for these holdbacks—of $2.40 per hundred on manufacturing milk for overproduction and 50.28 cents per pound of butterfat. The same deal is now proposed for Alberta. I understand that two or more preliminary meetings have been held in Alberta in this regard. Under this agreement the Canadian Dairy Commission can fine even fluid milk shippers for their surplus or overproduction. With this type of agreement there is no way their surplus production can be reached by the Canadian Dairy Commission. These fines can put a producer in a straitjacket. He must hold his production to a certain level at all times. Anyone knows that cows refuse to co-operate, thus making this almost impossible.

[Mr. Olson.]

Dairy farmers must wonder why their industry has been singled out to be the only Canadian industry under complete state control.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in effect the statement says there will be no change in the direction of dairy policy. That policy is mainly one by which the government is withdrawing support for the industry or reducing it to the minimum. I think this policy will fit in very well with the farm adjustment policy being worked out by the minister and his colleagues which seeks to remove an increasing number of farmers from agriculture. This adjustment program will adjust a number of farmers out of agriculture. I believe the dairy policy will fit into this program very well, to the dissatisfaction of the farmers. It is said that the dairy program will depend on what the export price is for powdered milk, which is an unknown factor.

The last time the minister made an announcement on dairy policy he said that an agreement had been reached between the dairy producers in Quebec and Ontario. Not more than two weeks later we had an urgent plea from the dairy producers in Quebec to appear before the Standing Committee on Agriculture to state their case and their dissatisfaction. At that time I asked them how they could expect the committee to do for them what the Minister of Agriculture (Mr. Olson) had already refused to do.

This is the situation in which we find ourselves. I would not be surprised if we again have the dairy producers asking to appear before the Standing Committee on Agriculture as a result of this statement.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, as it happens, I had planned to put a question related to the dairy policy to the Minister of Agriculture (Mr. Olson). I would have done so yesterday, but as he was absent and the new dairy year is fast drawing near I had hoped that he would inform us today of the new dairy policy for 1971-72.

Hon. members will remember that on February 17, 1971, the House instructed the Committee on Agriculture to inquire into Vote No. 30 related to the Canadian Dairy Commission and to report in due course to the House. As the Committee on Agriculture has unfortunately not examined this vote so far, I quite understand why today the Minister of Agriculture has announced no major changes in dairy policy for the coming year.

I expected, however, that the increase in production costs for dairy products as well as other products, would have been taken into account, and that some improvements would have been made that would have been more beneficial to those who are really involved in milk production, especially industrial milk, so that they could obtain a higher income and fairer prices.

Obviously, I am aware of the current difficulties of the Canadian government; I realize also that it is not always an easy task to accept the most legitimate requests from farm organizations, such as the Canadian Federation of Agriculture. But one should well understand that it will

be necessary at some point to react more favourably if we are to establish a dairy industry that will be in a position to compete with products from elsewhere.

• (2:20 p.m.)

The minister is certainly aware that member countries of the European Common Market voted recently on the adoption of a budget of over $3 billion to subsidize the production of farm products, in order to allow producers to produce more efficiently and at lower cost.

If Canada is to remain on the international market, it will have some day to adopt policies to foster a decrease in production costs while enabling producers to earn a living decently.

Furthermore, a surplus is said to exist. Yes surely, there is a surplus, if the objective is set according to present consumer demand. It is obvious that the people's purchasing power is rapidly decreasing month after month as the rate of unemployment is increasing. There is no doubt then that demand in decreasing gradually. It is clear that the people would need a national market on which to dispose of a greater production, if it had a purchasing power to match its actual needs.

Then, there have been proposals during the past couple of years to the effect that by means of agreements the federal and provincial governments could generate a policy to help dispose of a given volume of dairy products in schools, hospitals, homes for senior citizens, etc.

This policy is presently established in the United States and in quite a forceful manner, as the President of the United States has just authorized doubling this year's budget to supply dairy products in schools, hospitals and homes.

This has promoted the consumption on the national market, and allowed United States milk producers to dispose more easily of their production and to have more profitable farms.

I repeat that the minister, his advisers and the government should further study these suggestions in order to find the means of carrying out this objective of helping the dairy industry of Canada, especially in the provinces with the higher volume, to continue its progress and establish research facilities towards diversification of its production for greater use of milk.

In any event, I offer the minister my co-operation and that of my colleagues so that we may continue to work together in order to find solutions that will ensure the survival of the milk producers because many of them have now gone bankrupt.

During the weekend, I witnessed typical cases which are really touching. As a matter of fact, I met people who had made capital expenditures to remain in the dairy industry and who, due to the increase of quota costs, are today under the obligation of recapitalizing or going bankrupt.

Therefore, I should like to invite the minister not to wait for the next dairy year to announce again an increase in the prices of industrial milk, but to do it, as is mentioned in the statement, within the limit of a month or two, which is what we hope for.

[*English*]

GRAIN

DISRUPTION OF MOVEMENT FROM PRAIRIES TO VANCOUVER—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, pursuant to Standing Order 43 I seek leave to move a motion concerning the real and apprehended disruption of grain movement from the Prairies to the ships now waiting in Vancouver and those due to arrive in Vancouver over the next three weeks. In this crisis, Mr. Speaker, I propose to move, with the unanimous consent of the House, seconded by the hon. member for Crowfoot (Mr. Horner), the following motion:

That this House, in view of the crisis now existing and impending in grain movement from the Prairies to aboard ship at Vancouver and the resulting anticipated failure of Canada to meet her export grain commitments, urges the government to take immediate and extraordinary measures to get western grain moving and loaded at Vancouver.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Mackenzie. Under the terms of Standing Order 43 this motion requires unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. The motion cannot be put.

* * *

FISHERIES

TASK FORCE ON SEAL HUNT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I wish to move a motion pursuant to Standing Order 43 on a matter of urgent and pressing necessity. It concerns the appointment of a government task force to investigate and study all aspects of the seal industry in Canadian waters, particularly the Gulf of St. Lawrence and the Labrador waters, with a view to reducing the annual seal quota. The terms of reference contain no reference to the value of the seal hunt to the citizens of the Maritimes, Newfoundland and the Gaspé as a source of income and employment. The task force includes no member from those areas. The recommendations to be made by the task force are conditioned by the statement by the Minister of Fisheries and Forestry (Mr. Davis) that it may be necessary to launch a campaign to have "the ladies stop buying fur seal coats."

I therefore move, with the consent of the House, seconded by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

That this House instructs the Standing Committee on Fisheries and Forestry to inquire into the necessity for the appointment by the government of a task force to inquire into the seal industry in the Atlantic region and, in particular, to inquire into the rationale of having the task force composed entirely of persons from other than the Atlantic area.

Inquiries of the Ministry

Mr. Speaker: The motion proposed by the hon. member requires unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. The hon. member's motion cannot be put.

• (2:30 p.m.)

ORAL QUESTION PERIOD

NATIONAL DEFENCE

INQUIRY AS TO PUBLICATION OF WHITE PAPER

Mr. J. M. Forrestall (Dartmouth-Halifax East): I should like to direct a question to the Minister of National Defence, Mr. Speaker. Is the minister in a position to give us the date for the publication of his white paper? Can the minister also indicate whether he is giving any consideration to the suggestion that it be produced in two stages, one dealing with policy and one dealing with weaponry and weapons systems?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I anticipate that it will be available to the public and the House at approximately the end of May. With regard to the second suggestion, I think he will find that the two aspects of the matter have been melded together.

* * *

OIL

STATEMENT BY MINISTER OF COMMUNICATIONS OPPOSING PROPOSED MACKENZIE VALLEY PIPELINE— STUDIES OF ECONOMIC IMPACT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a question for the Prime Minister arising out of a statement made to the press by the Minister of Communications in which he said that he is completely opposed to the building of an oil pipeline through Canada. He said that it would be a disaster which would create severe economic dislocation in the country and lead to a kind of industrial suicide. As this statement completely contradicts statements made by the Minister of Energy, Mines and Resources and the Minister of Indian Affairs and Northern Development I should like to ask the Prime Minister if the statement made by the Minister of Communications represents government policy?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have not seen the text of such a statement but I understand it was given in reply to an interview. At this time all I can say is that the various ministers who have commented on this subject have done so from the particular point of view of their department and their knowledge of the Canadian economy and government. All have said that no decision would be made without taking into account all considerations relative to the common good of Canada. I assume that the Minister of Communications was merely pointing out another dimension of this very complex problem.

Mr. Douglas: In view of the fact that the Minister of Communications has raised some very serious questions about the economic impact of a pipeline being built through Canada, may I ask the Prime Minister if the government has had any studies made of the economic impact of the construction of such a pipeline? If so, have such studies been passed on to the two ministers who have been publicly inviting American companies to apply for the construction of a pipeline?

Mr. Trudeau: Mr. Speaker, I cannot say that studies have been made in the sense that they would have been completed, but certainly this aspect, this dimension, of the problem is one which I drew to the attention of the minister mainly involved in co-ordinating all studies for the Canadian government. The results of all these inquiries and studies will be brought before cabinet before a decision is made on any one particular aspect.

An hon. Member: What did he say?

Mr. Douglas: May I ask the Prime Minister if the two ministers who have publicly invited American companies to make application for the construction of a pipeline did so before the cabinet had reached any decision with respect to the economic impact that such a program would have?

Mr. Trudeau: The premise of the question is not correct, Mr. Speaker. No member of this government officially invited any American construction of such a pipeline. When the hon. member quoted some aspects of this matter the other day he himself had to say that any so-called invitation would be conditional upon a decision reached by the Canadian government and that every aspect of interest to the Canadian public would be looked into before any decision was made, let alone an invitation.

* * *

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Roland Godin (Portneuf): Mr. Speaker, I wish to direct a question to the minister in charge of the Post Office.

Can he tell us what is the normal delay required at the Postage Stamp Division to approve a stamp and also if he intends to see that the one recently sponsored by the CNTU is accepted?

[*English*]

LABOUR RELATIONS

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—EMERGENCY MEASURES TO MOVE GRAIN

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I have a question I should like to address to the right hon. Prime Minister. In light of the series of slowdowns in grain movement because of inadequate facilities, the non-availability of certain grades of grain, and labour strikes on the west coast, is the government considering specific emergency measures to move grain at this time?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this problem was raised in the House in the past few days. No further decision has been taken by the government since replies were given to the question.

Mr. Korchinski: Has the government charged a special task force to consider making recommendations for emergency action?

Mr. Trudeau: Not the government, Mr. Speaker.

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—POSSIBILITY OF PROLONGED STRIKE

Mr. S. J. Korchinski (Mackenzie): I have a question for the Minister of Labour, Mr. Speaker. In light of the economic effects of slowdowns by railway employees on government attempts to combat unemployment, is the minister satisfied that the position of the negotiations has reached such a point at the moment that we will not have a prolonged strike?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I cannot attempt to assess with any accuracy whether or not we are in for a long strike. I know that at this very moment negotiations are taking place in Montreal between the Brotherhood of Locomotive Engineers, the union representing the striking engineers on the west coast, and the CPR and the CNR.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I directed a question to the House Leader on Friday and he indicated he would ask the Minister of Labour to make a statement to the House. Can the Minister of Labour tell the House now if he has indications that those workers who are booking off and are on slowdowns and so on are prepared to go back to work or are going back to work today or tomorrow to relieve the situation?

Mr. Mackasey: Mr. Speaker, I understand that the workers in Vancouver will be meeting at two o'clock Vancouver time and my parliamentary secretary will be present at that meeting. My discussions by long distance last night were fairly fruitful. I can only hope the meeting this afternoon will indicate a return to work on the part of the members.

Inquiries of the Ministry

GRAIN

ALLEGED LACK OF PROPER GRADES AT WESTERN TERMINALS TO LOAD SHIPS—PAYMENT OF DEMURRAGE CHARGES BY GOVERNMENT

Mr. Jack McIntosh (Swift Current-Maple Creek): I have a question for the right hon. Prime Minister Mr. Speaker. In view of the fact that there have not been the proper grades of grain in position at the western terminals and thus many ships are waiting for grain cargoes in the harbour, will the Prime Minister consider paying the demurrage charges from the federal treasury rather than taking them from the receipts of the grain producers?

An hon. Member: Good question!

An hon. Member: He doesn't know the answer.

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LABOUR RELATIONS

SUGGESTED CABINET COMMITTEE TO FIND SOLUTION TO PROBLEM CAUSED BY RAILWAY EMPLOYEES SLOWDOWN

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a supplementary question for the right hon. Prime Minister. In view of the gravity of the situation facing our economy with the current railway shutdown, will the Prime Minister move at once to convene an emergency committee meeting made up of the responsible ministers within his cabinet for the purpose of finding an immediate solution to this very serious problem?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the way in which the government organizes its committees to deal with this matter I do not think is important to discuss in the House, but the hon. member may want to know that there is a group of ministers which meets on grain problems.

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—SUGGESTED MEETING BETWEEN MINISTER AND LOCOMOTIVE ENGINEERS IN VANCOUVER

Mr. Mark Rose (Fraser Valley West): I have a supplementary question for the Minister of Labour. In view of the seriousness of this issue to the west coast and to all of Canada, will the minister, if requested by the engineers, travel to Vancouver to meet with the union?

Hon. Bryce Mackasey (Minister of Labour): In view of the seriousness of the situation, Mr. Speaker, I would request the hon. gentleman to let the negotiating team in Montreal pursue its work without premature and undue interference on my part.

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GRAIN

HOLDING OF INCREASED AMOUNT IN EXPORT POSITION TO OFFSET EFFECTS OF STRIKES

Mr. Cliff Downey (Battle River): Mr. Speaker, would the Prime Minister be prepared to recommend to the

minister in charge of the Wheat Board that in future more grain be kept in export position so that strikes will not affect us as adversely and so that grain will be available to be moved when ships come in?

Mr. Speaker: Order. The hon. member's supplementary appears to be a suggestion which he has to assume will be taken into account in the future.

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[*Translation*]

NATIONAL DEFENCE

WITHDRAWAL OF CANADIAN FORCES FROM EUROPE—PARTICIPATION IN NORAD

Mr. Henry Latulippe (Compton): Mr. Speaker, I want to direct a question to the Minister of National Defence.

Would he tell the House whether the government will initiate a new withdrawal from Europe and bring to an end the presence of our forces in Europe?

Hon. Donald S. Macdonald (Minister of National Defence): No, Mr. Speaker, there will not be any change.

Mr. Latulippe: I want to put a supplementary question, Mr. Speaker.

Would the hon. minister say also what will turn out of our accession, in 1957, to the North American Air Defence Command Agreement which was renewed in 1967 and is going to expire in a short time?

Mr. Speaker: I must suggest to the hon. member that his question is quite general in nature and it seems to me that, normally, if the hon. minister would wish to answer it, he should do so by means of a statement on motions. I suggest this to the hon. member as well as to the hon. minister concerned.

* * *

[*English*]

FINANCE

INCREASE IN CHARTERED BANK SERVICE CHARGES

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Consumer and Corporate Affairs. It has to do with the fact that the chartered banks of Canada will be introducing charges effective on Thursday, which day, significantly, is April 1, which include a 33 per cent increase in charges on current accounts, a 27 per cent increase in the cost of writing personal cheques and an increase of 33 per cent for paying utility bills through bank branches. This matter was brought to the minister's attention some time ago and to the government's attention. What did the minister do in order to prevent this seriously inflationary action on the part of the banks, especially in view of the fact that their profits have been tremendously high during the last couple of years?

[Mr. Downey.]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, this matter, surely, has been quite well canvassed in the question period during the past number of days.

Mr. Diefenbaker: What did the minister do?

Mr. Basford: Mr. Speaker, I announced at that time that the Prices and Incomes Commission is conducting an investigation into those charges. I also pointed out that the banks are not subject to the Combines Investigation Act, which I am sure the right hon. gentleman knows. In so far as there is any ministerial responsibility for the behaviour of the banks, it rests with the Minister of Finance.

Mr. Diefenbaker: Mr. Speaker, that is the old game of alibi that this government plays. I ask the minister, in view of his interest in the subject of inflation, did he get in touch with and communicate with the Minister of Finance and point out this situation to him in order to protect Canadians against what is apparently an inordinate and unjustifiable increase?

An hon. Member: Usurious increase.

Mr. Basford: Mr. Speaker, the right hon. gentleman led the government which revised the Combines Investigation Act. I would have thought that he would have included banking services within the act.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Basford: As I indicated in my previous answer, ministerial responsibility for the conduct of banks and the administration of the Bank Act rests with the Minister of Finance. He made it clear to the House that he would not approach the banks on what was, under the act, a business decision on their part.

Mr. Diefenbaker: Is that the attitude of the minister toward inflation today? The government is always blaming labour. Is it not about time that the responsibility was shared?

Some hon. Members: Hear, hear!

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SOCIAL SECURITY

CONVENTION BETWEEN CANADA AND WEST GERMANY—AVAILABILITY OF PENSION CHEQUES TO CANADIANS OF GERMAN ORIGIN

Mr. Keith Hymmen (Kitchener): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In light of the important event this forenoon of his signing with officials of the West German government a convention on social security, can the minister advise the

House how soon pension cheques might be available to Canadians of German origin?

Mr. MacInnis: Why not? He gave you the question.

Some hon. Members: Oh, oh!

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, may I indicate that pension cheques will not be made available to Canadians of German descent until the convention that was signed today is ratified both by the West German parliament and the parliament of Canada.

With your indulgence, Mr. Speaker, I think the House will be more than happy to recognize in the gallery known experts from West Germany including Professor Jantz, Dr. Schwartz and Mr. Strenger, who have been of invaluable assistance in breaking ground on this matter which we consider to be a new first so far as Canada is concerned.

Some hon. Members: Hear, hear!

Mr. Stanley Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Even though the minister cannot say on what date the cheques will start coming, can he indicate what will be the effective date so far as the convention itself is concerned?

Mr. Munro: Mr. Speaker, I believe the effective date, and I ought to check this, is almost the present day. As I indicated to the House, Mr. Speaker, the whole matter is subject to ratification by both parliaments. We hope that this can be completed some time within the next six or seven months.

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FISHERIES

SEAL HUNT—REASON FOR APPOINTING TASK FORCE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, in the absence of the Minister of Fisheries and Forestry I wish to direct my question to the Prime Minister. In view of the recommendation of the Standing Committee on Fisheries and Forestry, based on evidence heard, that the seal hunt should be continued, and in view of evidence from the Canadian Federation of Humane Societies and other organizations supporting the present government policy on the seal fishery, can the Prime Minister tell the House why it has been found necessary to appoint another task force at public expense?

Mr. Speaker: Order, please. The hon. member's question is clearly not in order. Unless the hon. member rephrases the question, I think the Chair will have to go to the next questioner. The hon. member has asked the government why it was found necessary to appoint a task force. That is certainly not the type of question that can be asked at this time. If the hon. member seeks information, he should ask the question directly and not in the terms in which it has just been put.

Inquiries of the Ministry

SEAL HUNT—APPOINTMENT OF TASK FORCE—ANNOUNCEMENT OUTSIDE HOUSE

Mr. James A. McGrath (St. John's East): A supplementary question, Mr. Speaker. May I ask the Prime Minister if it is now government policy for ministers to make major statements outside the House announcing the appointment of task forces while Parliament is sitting, thereby depriving the members of the House of the opportunity of reacting?

An hon. Member: The hon. member is reacting.

Mr. McGrath: I rise on a point of order, Mr. Speaker. Yesterday the Minister of Fisheries and Forestry made a major statement in the city of Vancouver announcing the appointment of a task force to study a subject that had already been studied very extensively by the Standing Committee on Fisheries and Forestry of this House. I maintain, Mr. Speaker, that that statement ought to have been made in the House. According to the roster, the Minister of Fisheries and Forestry is supposed to be in the House today but he is not here. Thus we are being deprived of the opportunity of directing questions to the minister on this very important statement of government policy.

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CONSUMER AFFAIRS

ROLE OF CANADIAN CONSUMER COUNCIL—LOW-INCOME GROUP REPRESENTATION

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. In view of opinions expressed today by Professor Jacob Ziegel, lately a member of the Canadian Consumer Council, that that body, costing the taxpayers roughly $100,000 a year, is largely ineffective because it has neither clearly defined guidelines nor structure, does the minister, at the beginning of its third year, plan a reassessment of its role, if any, in the Department of Consumer and Corporate Affairs?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I announced last week the appointment of a new chairman and the reappointment or appointment of members of the council. I have discussed at length with the new chairman the purpose of the council and the working procedures of the council, and I foresee a very useful period and role for the council in the two years ahead.

Mrs. MacInnis: A supplementary question, Mr. Speaker. Since the recent list of appointments to the Canadian Consumer Council fails to contain the names of any representatives of low-income consumers, does the minister intend to supplement this list with the names of such appointees? If not, why not?

Mr. Basford: Mr. Speaker, I think that the people on the council are a group of people who can fulfil the purpose of the council and are good appointments.

Inquiries of the Ministry

CONSULTATION WITH CANADIAN CONSUMER COUNCIL ON PACKAGING AND LABELLING BILL

Mr. Les Benjamin (Regina-Lake Centre): A supplementary question, Mr. Speaker. In view of statements that have been published questioning the very usefulness of the Consumer Council, may I ask the Minister of Consumer and Corporate Affairs whether he or his officials, when drafting the packaging and labelling bill, consulted in any way with the Consumer Council or received any representation from them?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): No, Mr. Speaker. We consulted with the Consumers Association of Canada.

Mr. Benjamin: A further supplementary question, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member for Gander-Twillingate.

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FISHERIES

GOVERNMENT POSITION ON EXPLOITATION OF CANADIAN MARINE RESOURCES BY SHIPS OF FOREIGN COUNTRIES

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, may I direct a supplementary question to the Prime Minister. In view of the fact that the Canadian government has now seen fit to pay a great deal of attention to the American and European people who are against one aspect of our marine resources, I wonder if the Prime Minister can indicate that a definitive statement will be forthcoming and that a definite stand will be taken by the government on the harvesting, raping and exploitation of our marine resources by foreign nationals which is almost destroying the capability of our fishermen in the Atlantic region at the present time?

Right Hon. P. E. Trudeau (Prime Minister): I will draw the representation and allegation to the attention of the various ministers involved. I wonder if I might be allowed to answer a question asked me yesterday by the right hon. member for Prince Albert?

Mr. Speaker: Perhaps we might first allow the hon. member for Gander-Twillingate a supplementary. The Chair will recognize the Prime Minister in a moment.

Mr. Lundrigan: The Prime Minister referred to drawing to the attention of the Minister of Fisheries my representation and allegation, which is certainly not a fair comment. Perhaps he could take time off from his sugaring-off contest one of these days—

Mr. Speaker: Order, please. Would the hon. member kindly resume his seat.

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HOUSE OF COMMONS

DISCREPANCY BETWEEN BLUES AND HANSARD IN ANSWER BY PRIME MINISTER

Right Hon. P. E. Trudeau (Prime Minister): Yesterday, Mr. Speaker, the right hon. member for Prince Albert asked me to look into the matter of an alleged discrepancy between what I said in the House and what was actually contained in the official transcript in *Hansard*. I have looked into this matter following my undertaking and I have been assured that no one in my office—nor, indeed, myself—made or suggested any change in *Hansard*. I am also told that what I said in the House was actually, as my memory prompted me to say yesterday, what is recorded in *Hansard*.

Right Hon. J. G. Diefenbaker (Prince Albert): I suggest to the Prime Minister that the whole thing could be cleared up by tabling the blues. It would be seen if they were tabled that the Prime Minister has changed it or somebody changed it.

Some hon. Members: Shame!

Mr. Speaker: Order. The Chair is prepared to take the responsibility in connection with this matter. I might say I have received a preliminary report which substantiates the statement just made by the right hon. Prime Minister. Particular reference was made to the taped proceedings of the House of Commons.

Some hon. Members: Hear, hear!

An hon. Member: Withdraw.

Mr. Diefenbaker: A prospective appointee, Mr. Speaker. Does this mean that from now on the blues are not accepted as to what is said in this House? I saw the blues, and there was a very pronounced change made between the blues and *Hansard*.

Some hon. Members: Hear, hear!

Mr. Speaker: I really do not think there is much point in going into the matter very deeply. The right hon. gentleman was, I suggest, justified in raising the matter, and the Prime Minister said he thought, from memory, he had made a certain statement. The right hon. gentleman was right. The blues came out in one way but I am advised by the *Hansard* staff that they are the ones who made a mistake, that a check was made by our officials of the tape, and that they take full responsibility for the correction which they themselves made to the blues.

So I suggest to both right hon. gentlemen that they are both right. The right hon. gentleman from Prince Albert was right. The blues came out in the way he suggested. The Prime Minister was right that what he said he had said is actually what he had said. So everyone is vindicated.

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INDUSTRY

PULP—REPORTED FEAR ON PART OF COMPANY OFFICERS ABOUT GOING TO UNITED STATES

Mr. Max Saltsman (Waterloo): I have a question for the Minister of Industry, Trade and Commerce. It has to do with the question I asked him on March 26 regarding the possible prosecution in the United States of Canadian businessmen who are associated with the Canadian pulp

and paper industry and their reluctance to go to the United States for fear of becoming subject to United States anti-combines legislation. The minister undertook to look into the matter and report to the House this week. Has he yet had an opportunity to check the statements made by Mr. Fowler and other people in the pulp and paper industry and is he prepared to report to the House on the matter?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): My colleague the Minister of Consumer and Corporate Affairs has kindly consented to answer this question.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I have seen the comments made by Mr. Fowler. We are familiar with the investigation in the United States pursuant to the terms of an agreement entered into by the Attorney General of the United States and myself which was tabled in the House on November 5, 1969. We have no indication that the United States authorities were either endeavouring to apply their laws extraterritorially or that the United States courts were exceeding their jurisdiction. If anyone has information that this is not correct his complaint should be taken up with myself. I have received no such complaints.

Mr. Saltsman: Having regard to the provision in our combines legislation which permits exporters to combine for export purposes, and since the United States anti-combines legislation takes a somewhat different approach, can the Minister of Consumer and Corporate Affairs tell us whether those responsible in the United States for interpreting combines legislation are in agreement and are prepared to honour a provision of the kind which exists in Canadian anti-combines legislation?

Mr. Basford: The whole purpose of the agreement to which I have referred was to prevent any misunderstanding between our two countries as to the extraterritorial application of United States laws. When we are in the process of revising the combines legislation international considerations will apply and we will try to devise a law which will best protect Canadian interests.

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[*Translation*]

EXTERNAL AFFAIRS

AID TO UNDERDEVELOPED COUNTRIES—SUGGESTED INTEREST-FREE LOANS TO CANADIAN MUNICIPALITIES

Mr. René Matte (Champlain): Mr. Speaker, I should like to direct a question to the Prime Minister, following that put yesterday by my colleague the hon. member for Bellechasse.

Does the Prime Minister intend to let some underprivileged areas of Canada make use of the same advantages granted to underdeveloped countries, that is interest-free loans repayable over a long period?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have often answered that question indicating to the hon. member and others that we effectively transfer to provinces and underprivileged areas some much larger amounts than those lent to other countries. For example, we have learned that through the Department of Regional Economic Expansion alone, more than half a billion dollars have been allocated to underprivileged areas of the country and given free, without any interest.

Mr. Matte: Mr. Speaker, I would like to put a supplementary question to the Prime Minister who has just said that this is in fact being done in the Department of Regional Economic Expansion. Does it mean that the Prime Minister would not be against interest-free loans to underdeveloped Canadian areas by the Department of Regional Economic Expansion?

Mr. Trudeau: Mr. Speaker, in the December budget, we allocated $160 million for assistance to less favoured areas of the country over a very long period and at a very low interest rate.

We have also, through the equalization system and the Minister of Finance, transferred every year to provinces and underdeveloped areas hundreds of millions of dollars that not only do not bear interest but are free. The hon. member should put his remark in the right context.

Indeed, we often grant foreign countries long term loans, but these are not without interest, since it is the Canadian people who pay the interest, because we obviously exempt foreign countries from the payment of interest. That is the reason why we have established a program of assistance to countries less developed, less fortunate than Canada. I think that on this point, we have the support of all hon. members.

Mr. Matte: Mr. Speaker—

Mr. Speaker: Order. I suggest to the hon. member that we really have to try and consider some other matters, because we are not moving very quickly this afternoon. I suggest that we should now get on to another subject.

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[*English*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—PROVISION OF INFORMATION TO SYDNEY MANPOWER OFFICE

Mr. Robert Muir (Cape Breton-The Sydneys): My question is for the Minister of Manpower and Immigration or for the Secretary of State, but in their absence may I direct it, because of its urgency, to the Acting Minister of Manpower and Immigration? In light of the fact that as of this morning information regarding the Opportunities for Youth program was not available to groups and municipal authorities either at the Sydney manpower office or at two other offices on Cape Breton Island, would the minister expedite the dispatch of information to these offices immediately?

Right Hon. P. E. Trudeau (Prime Minister): I will take notice of the question.

Mr. Muir: A supplementary to the right hon. gentleman. In view of the information given in the House

yesterday by the Minister of Manpower that April 15 is the cut-off date for applications, would the right hon. gentleman not agree that Canada Manpower offices should now be in a position to provide information about this hodge-podge of odds and ends wrapped up in a riddle of bureaucratic confusion?

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THE CENSUS

INFORMATION ON APPLYING FOR JOBS

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Prime Minister. It was recently brought to my attention that the Minister of Industry, Trade and Commerce had indicated that the proper place at which to apply for the job of census taker was the local Manpower offices. It has since been revealed that the local Manpower offices are indicating to people that they should get in touch with their Member of Parliament. Would the Prime Minister would look into this matter and see to it that information is sent to the local Manpower office so that if there is such a program advantage can be taken of it?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, if my hon. friend refers to *Hansard* or the sound tape he will see that I did not refer at the time to census takers; I referred to some jobs available to students here in Ottawa after the census is taken, helping to bring all the information collected into shape.

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SOCIAL SECURITY

CONVENTION BETWEEN CANADA AND WEST GERMANY—SIMILAR AGREEMENTS WITH OTHER COUNTRIES

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I should like to ask the Minister of National Health and Welfare whether he has received any representations to investigate the feasibility of initiating negotiations with governments of other countries regarding an agreement on reciprocity of pensions similar to the one he signed this morning with the government of West Germany.

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. We are hoping that this new reciprocal agreement will serve as a precedent for similar agreements with other countries which will be of tangible assistance to many other Canadians.

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HEALTH

PRESENCE OF CANCER-CAUSING SUBSTANCE, DEMETHYL-NITROSAMINE, IN FOOD

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. Some time ago I asked the minister a question regarding the seriousness of the use of demethyl-nitrosamine in the curing and preparing of foods. At that time the minister stated that he would have the information within a few days. I should like to know what conclusions have been reached regarding the use of this substance.

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I thank the hon. member for giving me notice of this question and advise him that the amount of this particular substance that we have found is about 1,000 times less than those amounts known to produce cancer in animals. It does have a useful function. Our analysis is now sophisticated enough that we feel we can study that type of situation and detect any increase in amounts found in foods. We are keeping the matter under constant study at the present time.

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TRANSPORT

INQUIRY AS TO PROPOSAL FROM PRINCE EDWARD ISLAND GOVERNMENT OR PRIVATE INTERESTS TO CONSTRUCT NORTHUMBERLAND CAUSEWAY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have a question for the Minister of Public Works. Can the hon. gentleman advise whether he has received from the government of Prince Edward Island or from private commercial groups a proposal or proposals for the construction of the Northumberland causeway by private concerns, and can he advise whether the department and the government of Canada are giving their co-operation to such a proposed undertaking?

Hon. Arthur Laing (Minister of Public Works): The answer, Mr. Speaker, is no.

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FINANCE

INCREASE IN CHARTERED BANK SERVICE CHARGES—AMENDMENT OF COMBINES INVESTIGATION ACT

Mr. David Lewis (York South): Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs arising out of an answer he gave earlier in which he expressed regret that an earlier government had not included banking services in the anti-combines legislation. Are we to deduce from the minister's expression of regret that he intends to include banking services in the revisions which he has said he will bring before this House some time soon?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I think that all that was appropriate to be said on this subject, for the moment at least, was said last week.

Mr. Lewis: Nothing then; double nothing now.

AGRICULTURE

ARRANGEMENTS FOR PAYMENT OF SPECIAL ASSISTANCE TO OKANAGAN APPLE GROWERS

Mr. Bruce Howard (Okanagan-Boundary): Mr. Speaker, I have a question for the Minister of Agriculture. What action has the minister taken to finalize arrangements for payment of the $400,000 special assistance to the Okanagan apple growers?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there was some lack of understanding or agreement between our department and the association as to the terms and conditions under which the disposition of this money could be used to help out in a very difficult situation. Since I had a meeting with the association in the Okanagan Valley about ten days ago, I have sent a senior official from the department to see whether we can find a better basis for these terms and conditions.

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[*Translation*]

EXTERNAL AFFAIRS

AID TO UNDERDEVELOPED COUNTRIES—PURCHASE OF CANADIAN PRODUCTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a very objective question for the Prime Minister.

In regard to interest-free loans, I feel that the people should know exactly what they are about. I would like to ask the Prime Minister whether, when the government makes an interest-free loan to a foreign country, there are conditions attached to the deal which enable Canada to sell its products.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker. When we grant such loans to a foreign country, we make sure that a certain percentage of the money will be used for purchasing Canadian materials and services.

[*English*]

Mr. James A. McGrath (St. John's East): I have a supplementary question, Mr. Speaker. May I ask the Prime Minister whether the government is giving consideration to making interest-free loans available to Canada's underdeveloped provinces?

Mr. Speaker: Order, please. The hon. member will recognize that this is substantially the question asked by one of his colleagues to the extreme left of the chamber a moment ago.

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NATIONAL DEFENCE

HONORARY LIFE MEMBERSHIPS IN RCAF MESSES—RECOGNITION BY CANADIAN ARMED FORCES MESSES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to ask the Minister of National Defence whether he is in a position to answer the question I asked him last Friday, which was taken as notice by the Acting Minister of National Defence, regarding honorary membership in messes?

Hon. Donald S. Macdonald (Minister of National Defence): Yes, Mr. Speaker. I am advised that the practice of granting honorary life membership in messes was a custom peculiar to the RCAF and was only applicable to RCAF officers' messes. On unification of the Canadian Armed Forces, the practice was not continued. Anyone who has a lifetime membership card may enjoy the same mess membership privileges as before in any officers' mess that was an RCAF mess prior to February 1, 1968. A retired officer may apply to become an associate member of a mess and pay the appropriate mess dues as does a serving member of the Canadian forces.

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HEALTH

PARAMEDICAL SERVICES—NEGOTIATION OF COST-SHARING AGREEMENT WITH PROVINCES

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Has the government come to any decision or is it in the process of negotiating a cost-sharing agreement with the provinces or with any province with respect to any of the several paramedical services?

Hon. John C. Munro (Minister of National Health and Welfare): No. Mr. Speaker.

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AGRICULTURE

FARM PRODUCTS MARKETING BILL—SUGGESTED MEETING WITH GROUP FROM WESTERN CANADA

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I have a question for the Prime Minister. In light of Your Honour's ruling and the Prime Minister's reply to my question last Wednesday, is the Prime Minister now prepared to hear a small non-political group express its concern over Bill C-176?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I understand that there have already been some 250 witnesses, more or less, before this committee and I cannot see the need at this time, since the bill is making such good progress, to interrupt this progress to hear further witnesses.

Mr. Horner: A supplementary question, Mr. Speaker. In light of the Manitoba government's decision to take the Manitoba Court of Appeal case to the Supreme Court of Canada, perhaps in order to save embarrassment to all it would be best for the Prime Minister to listen to some of the concerns being expressed so that he can better judge the whole issue.

Inquiries of the Ministry

NATIONAL SECURITY

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS—WORK PERFORMED BY MEMBER OF PRIME MINISTER'S STAFF

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I want to ask the Prime Minister a short question about the famous book. When the Secretary of State announced his intention to write this book, did the Prime Minister know that a member of his personal staff would be working long hours on this particular duty? I refer to Pierre Billon.

Mr. Speaker: The hon. member for St. John's West.

Mr. Bell: A supplementary question, Mr. Speaker. If in fact Pierre Billon was doing this work, would the Prime Minister now put him on more constructive work such as jobs for students?

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PUBLIC WORKS

COME-BY-CHANCE, NFLD.—PROVINCIAL GOVERNMENT REQUEST FOR ASSISTANCE IN CONSTRUCTING DOCKING FACILITIES

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I have a question for the Minister of Public Works. Can the minister inform the House as to the status of the application made by the Newfoundland government to build docking facilities in Come-by-Chance, Newfoundland?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, we expect to be making an announcement on this matter in the course of a few days.

Mr. Carter: Can the minister inform the House whether it is the intention of the Canadian government to request a guarantee from the Newfoundland provincial government to cover the amount in question?

Mr. Laing: The answer, Mr. Speaker, is that we had made that request.

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UNITED NATIONS

STATEMENT BY SECRETARY OF STATE FOR EXTERNAL AFFAIRS ON PROVISION OF PEACEKEEPING FORCES

Mr. Warren Allmand (Notre-Dame-de-Grâce): My question is directed to the Prime Minister. Was the Secretary of State for External Affairs expressing government policy in Montreal last evening when he was reported to have said to the International Law Association that the United Nations can no longer be expected to provide peace-keeping forces for world trouble-spots?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, any statement along those lines would have to be read in the context of the white paper that the government published on this whole matter not too long ago. The government position is quite clear that we do not want to get into peacekeeping operations without examining the conditions which prevail at the time. That does not mean there will be no participation in any peacekeeping operations.

* * *

[*Translation*]

EXTERNAL AFFAIRS

INVITATION TO PRESIDENT OF FRANCE TO VISIT CANADA

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to put a question to the Prime Minister.

At the time of his visit to Marseilles, France the Secretary of State declared that the relations between France and Canada have been improving steadily in the last few months. In that context, could the Prime Minister put the idea of the Secretary of State into concrete form and invite the President of France to visit Canada and discuss with him the problems facing Canada and France?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there have been no discussions to that effect, but I am convinced that the President of France will be delighted to know that the hon. member for Charlevoix is thinking about it.

[*English*]

GOVERNMENT ORDERS

• (3:10 p.m.)

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Monday, March 29, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental there—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: Order, please. When the committee rose last evening, clause 26 had been agreed to.

On clause 27—*Public Service Superannuation*

Mr. Knowles (Winnipeg North Centre): Before we begin discussing this clause, Mr. Chairman, I wish to raise a point of order with respect to the way in which it might be handled. Clause 27 is to be found at pages 9, 10, 11 and 12 of Bill C-207. If this clause is examined carefully, it will be noted that there are three subclauses. Subclause (1) appears on pages 9, 10, and part of 11. Subclause (2) runs from the middle of page 11 to the top of page 12. Then, there is subclause (3), which is also on page 12.

I wish to point out that there is quite a difference in the areas covered in subclause (1) and subclause (2). Subclause (1) deals with early retirement generally in the public service. Subclause (2) deals with special arrangements for deputy heads. I wish to suggest, as a point of order, that we divide our discussion and deal with sub-

clause (1), then move on to subclause (2) and then subclause (3). I wonder if that would suit the Chair.

The Chairman: I will hear from other hon. members if they wish to speak on this point. As far as the Chair is concerned, I think the suggestion made by the hon. member for Winnipeg North Centre is reasonable. We will follow it unless there are objections from other hon. members.

Mr. Knowles (Winnipeg North Centre): Accordingly, Mr. Chairman, I will confine my remarks at this stage to subclause (1) and leave subclause (2) until later on in the afternoon. Subclause (1) of clause 27 is on pages 9, 10 and the top half of page 11. This subclause provides for early retirement in the public service. It seems to be divided into four main categories. One could easily get lost in the detail, so all I shall do at this point is identify the four main categories as I see them.

First, there is a provision for public servants 55 years of age or over who have 30 or more years of public service. Second, there is a category of public servants 50 years of age or over who have 25 years or more of public service. The third category relates to those 55 years of age or over who have ten years or more of public service and are called upon to retire from the public service involuntarily. The fourth category consists of employees 50 years of age or over who have 20 years or more of public service. It might be said that there is a fifth category, but it is really a variation of one of the others.

There are differing formulas that apply to these various categories and, of course, there is a certain amount of overlapping, but if I may I shall move on to the main reason for my intervention in the debate at this time. Since we are in committee of the whole, it is likely that some of us may speak more than once. The idea of providing for early retirement, particularly when it is on a voluntary basis, is good and is highly welcomed. I hope I am not talking so loud that Your Honour cannot hear those members on the other side of the Chamber.

The Chairman: Order, please. I am sure hon. members have important matters to discuss, but I ask them to do it in a way that will permit us to hear the hon. member who has the floor.

Mr. Knowles (Winnipeg North Centre): I was going to add, Mr. Chairman, that I think the proposed formula for those 55 years of age or over who have 30 years or more service is good. Even as an opposition critic who tries to find something wrong with everything the government does, I am afraid I cannot find anything wrong with this.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): I knew that would bring a smile to the face of the hon. member for Ottawa West. The provision is that if a person is 55 years of age or over and has 30 years or more of service, he can retire and immediately draw a pension. The pension will be the amount that he has earned for that number of years service. Thirty years service at 2 per cent per year will give him a 60 per cent pension, namely 60 per cent of his average salary for his six best years. He will get that full pension at that time without any reduction. Unless the man is to be put in the Senate there is not much more that can be done for him, and I would not wish that on my best friend in the Public Service.

• (3:20 p.m.)

I would go further, Mr. Chairman, and say that there are good things which can be said for the formulas which apply to the other categories when a public servant, of his own volition, wants to retire. The key element in all the other formulas, of course, is a reduction provision. Thus, if one is 50 years of age and has 25 years of service he can retire but his pension will not be 25 times 2 or in other words a 50 per cent pension; it will be reduced depending on how much he is short of age 55 or how much short he is of 30 years service. So, without going into detail, the same principle applies to the other categories I outlined. In other words, for all these people who do not meet the prime requirement of being 55 years of age and having 30 years service, early retirement has attached to it a provision whereby the pension one would draw would be reduced. If this were merely a voluntary scheme under which a public servant knowing the facts could choose to retire or, if he wished, choose to work to age 55 or 60, it would be hard to make a very strong case against it.

However, when one realizes that people in these categories may be involuntarily retired or, in effect, fired and placed on a pension at a reduced rate, this brings about a situation which prompts me to use a word I used when I spoke on this matter during second reading. I think it is ugly. I plead as strongly as I can with the President of the Treasury Board, who not only is the pilot of this legislation as a whole but also the pilot of this particular part, to reconsider this aspect of the matter. I plead with him not to try to sell us the line about it being a two-way street and that if it is fair one way it is fair the other. It is the type of 50-50 arrangement involving one horse and one rabbit. To say it is all right for one public servant to have the choice of retiring on an early pension does not make it right for the big employer, the Federal Government, to force retirement on another individual when that forced retirement means a reduced pension.

People in the age bracket 50 to 55 are people who are trying to get their private affairs sorted out, get the mortgage as well as a few other things paid off and perhaps trying to get their sons and daughters through university. Their plans are made and they are looking toward retirement at age 60 or age 65. All of a sudden, the whole situation changes and instead of getting the pension they had hoped to get at age 60 or 65 they must take a greatly reduced pension. I plead on all the grounds I can muster that this is an unfair way for the government to treat its public servants. I ask the minister to revise his thinking about it. I know it will be said that the government is a good employer and would not do some of these mean things; it would not fire people; it would not take advantage of this legislation. I am afraid I do not have that confidence, and I do not see how anyone in this House, no matter on which side he sits, could have that confidence.

We can recall a situation a year ago when people were retired when these pensions were not available to them. These were people who did not wish to leave the government service. But the government made some changes, and it will do so again. These changes could involve the desire to accommodate one language group here and another language group there and, perchance, there might be a desire to accommodate women in some positions in which they do not have adequate numbers and accommodate men in other positions in which they do not have sufficient numbers. There are all sorts of possibilities, under the government's policy, for public servants to be retired compulsorily. I suppose the government feels it will be able to say times have changed and that people previously had been retired with no pension, indeed had either to take their money out or receive a deferred pension at age 60. The government might say that now they will receive an immediate pension. However, the pension is subject to formulas which are spelled out in the different parts of new sub-section (1) of clause 27 of this bill.

As I say, early retirement is a good idea. I am glad the government is bringing it forward. I am glad it is provided in some other pieces of legislation. I think the man on the street is right when he says it would contribute to the solving of the unemployment problem, particularly of youth for people to retire earlier. I should like to see the old age pension age dropped from 65 to 60. But in view of the rights of people let us keep the voluntary principle alive. Let us not force people to take these reduced pensions because the government has put itself in the position of saying it is not putting people out on the street since it is giving them a pension.

When I spoke on this matter on second reading I gave an example. I notice the Letter Carriers Union of Canada has issued a press release today in which it highlights just about the same kind of example. Let me repeat it from memory. A person who is 50 years of age and has 20 years of public service can retire or be retired on an immediate pension. But under the formula by which he is retiring at age 50 his 20 years of service is ten years short of the 30 years he must have to retire at this point and, therefore, if you multiply ten by 5 it comes to 50 and his pension is reduced by 50 per cent. I see the President of the Treasury Bord giving me the courtesy of indicating that I am doing my arithmetic correctly, whether or not he agrees with my philosophy. So, let us consider a public servant who has given 20 years of service and who may retire or be forcibly retired. He may think that with 20 years service he has built up a 40 per cent pension, 20 times two; but no, he has a pension which is reduced by 50 per cent and therefore at that age it is only 20 per cent of the average of his salary for the six best years. I hope no one stands up and says this is being nice to public servants and that it is something which they have not had before.

I say this is ugly and is something that will hang like a sword. I shall not say a Damoclesian sword because in the *Hansard* office last night we had difficulty spelling that word.

Mr. MacLean: You have said it.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): We will be able to see how they spell it today. We found four different ways to spell it last night. It hangs like a sword over public servants generally. It is bad enough, now that there is not the security in employment which the public thinks there is, but when we add to this the threat of retirement at a reduce pension I say it becomes quite unfair.

In this connection I wish to move an amendment but before I do so may I mention another subject unless you, Mr. Chairman, tell me my time is running out, in which case I shall return to the amendment quickly.

The Chairman: The hon. member has five minutes according to my calculation.

Mr. Knowles (Winnipeg North Centre): Thank you. I think this is the first time I ever publicly received this kind of service from the Chair. Thank you, Sir.

• (3:30 p.m.)

When we passed Bill C-194 in the last session and provided for the escalation of pensions after retirement—a very good bill except for something that was in it, but I shall not reopen that at this point—we provided that those escalation payments could come into effect only at the age of 60 because that was the normal age for the retirement of public servants. In particular, the bill provided that retired RCMP or retired armed forces personnel who were under 60 could not get the increase right away but would have to wait until age 60. The main argument carried some weight, and the minister can find from the words in *Hansard* that I accepted his argument.

In committee we had a heated exchange of opinions but the committee was in too big a hurry to get the bill through, for reasons I need not mention. The main argument was that 60 was the minimum age at which public servants retired, except those who went out because of a medical disability, and therefore members of the RCMP or the armed forces who retired at an earlier age would have to wait. I now understand that when you combine the provisions of the bill now before us, specifically clause 27 of Bill C-207, with the provisions of the escalation legislation of a year ago, it turns out that when a public servant retires under this legislation at 55, 56, 52 or 53, he will qualify immediately for this 2 per cent escalation. I am glad of this, for I think it would be most unfortunate if these people being retired early did not get that benefit.

I ask the President of the Treasury Board whether that has not taken away completely his argument that he cannot provide this escalated pension for the retired armed forces and retired RCMP personnel because the normal retirement age is 60 and no one gets it under 60. Incidentally, members of Parliament who are out on pension and are under 60 do not get it either. But I am concerned at this point with the two groups I named. I say that if we are now revising that concept, if we are making it possible for the 2 per cent escalation to come into effect in the case of some public servants—there probably will be thousands of them—there is no justifica-

tion for continuing that prohibition in the case of retired members of the armed forces and retired members of the RCMP.

There is more that I want to say and more that I shall say, but we are in committee of the whole so one can speak aga'n. But in my view the main evil in this clause is the way in which pensions of people who retire early can be reduced, even when those people are retired against their will. I think that the bill should be amended to take care of that. Therefore, I move:

That clause 27 of Bill C-207 be amended by inserting therein, immediately following line 16 on page 11, as a conclusion to subparagraph (ii) of paragraph (c) of subsection (1) of section 11 of the Public Service Superannuation Act, the following words:

"provided however that the reductions indicated in this subparagraph shall not be applied in the case of any employee who does not retire voluntarily from the Public Service;"

I have already pointed out to the Chair that subclause (1) of clause 27 runs through pages 9, 10 and a half of page 11, and the place where I suggest these words should be added is in the middle of page 11, at the end of that subclause.

The reason I used the language "who does not retire voluntarily from the Public Service" is that the phrase is already in the clause with respect to one particular group. But I trust the whole point of my argument is clear that in the case of any public servant covered in any of the various parts of clause 27, who is retired against his will, there should be no reduction in the amount of the pension that he would get for the number of years that he has been employed in the public service.

As I said, there is much to be said about this legislation. I repeat without hesitation that in so far as it is voluntary, it is good. I repeat without hesitation that what it does for those 55 years of age and over with 30 years of service is excellent; I make no complaint about it. But surely we in this chamber do not want to put on the statute books a piece of legislation that makes it possible for the government to fire people between the ages of 50 to 55 and force them to take a reduced pension. That is the reason I have presented the amendment which I have the honour to move.

The Chairman: First of all, I should like to apologize to the hon. member for Malpeque. The committee was starting on a new part of the Bill, and to follow proper procedure I should have recognized the spokesman for the official opposition. I apologize for that. It was only inexperience, but I am sure the hon. member for Malpeque will have his opportunity.

The Chair will accept the amendment. I find no objection to it from a procedural standpoint, but if hon. members have any submissions to make from a procedural standpoint, I will be pleased to hear them now.

Mr. Francis: Mr. Chairman, you invited comments on the motion from a procedural standpoint. In my own view, there is a serious question as to whether such an amendment is in order. It is a charge on the Crown. The effect of such an amendment is contrary to the established procedures of this House. Only a minister of the Crown is permitted to move a motion which has the effect of making a further charge on the Treasury.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, if I may say so, I think you were right in allowing the motion. May I suggest that pensions to public servants are paid out of the public service superannuation account. The pensions that would be paid without any reduction, if this amendment carries, would come out of that account, not out of the general treasury. I submit that on those grounds we have the right as private members to move this kind of amendment.

Mr. Drury: I rise for the purpose of clarification, Mr. Chairman. While the hon. gentleman is correct that these payments are made out of a particular appropriation, there is no fund as such out of which these moneys are paid. He knows there is no such fund; he has made the point himself. They are paid out of an account which is made up of contributions at fixed rates made by employees, and a balancing or a residue comes from the public treasury or the Consolidated Revenue Fund. All payments into and out of the superannuation account are made from the Consolidated Revenue Fund, and consequently any change in these payments is a direct charge on the Consolidated Revenue Fund.

• (3:40 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, as the President of the Treasury Board will confirm, when I spoke earlier I did not use the word "fund". I used the word "account". I have been through this, around it and over it many times. I think we know what we are talking about. But I submit, Sir, that no additional appropriation, no voting of any money, not even a dollar, now or later, will be required by Parliament if this amendment carries.

The minister says there is no fund. No, there is not a separate bank account somewhere. But the same minister and the same government say the fact that that account is there by legislation means it is as good as gold, if gold is any good. And I submit, Sir, that the test of this is whether or not a subsequent appropriation, a subsequent estimate, a subsequent vote by Parliament would be necessary; and it would not be necessary, not at all. These pensions are paid out of the superannuation account without any specific vote by Parliament at all. I submit, on that test, Parliament is not being asked to vote additional money, and that Your Honour was right the first time.

Mr. Drury: Mr. Chairman, I must take issue with the hon. member, not with his procedural argument but with his statement of the facts. If, as he suggests, his amendment would have the effect of conferring added security, added benefits on the employee at no cost to the consolidated revenue fund, I would be supporting it wholeheartedly. The fact of the matter is that this represents an additional cost, an increase in the contingent liability and a subsequent increase in the direct liabilities which have to be met out of parliamentary appropriations. The size of these is determined annually or bi-annually as the

case may be, and the actuarial deficit made up by budgetary appropriations.

There is no magic free money out of which the additional costs of this could be met. If there were no additional costs I would be glad to support, indeed to move, the amendment. But unfortunately, there is a substantial additional cost, and I think the hon. gentleman must recognize that paying people full pensions in cases where otherwise they would get actuarially less than full pensions, is going to cost somebody some money, unless that somebody runs the printing presses.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, all I can say again is that the people who will have to put up the money are the employer in his capacity as employer, and the employee who puts the money into this separate account. I realize we are going back and forth, and going round in circles—

An hon. Member: You are.

Mr. Knowles (Winnipeg North Centre): Yes, I am doing it too, just as the minister did, but it seems to me that the test the Chair will have to apply is whether or not a vote of this House, an estimate, an appropriation would be required as a consequence of this amendment.

The rule is quite clear. A member cannot move anything that involves the direct expenditure of money. There have also been rulings that a motion that would require a subsequent vote cannot be moved by a private member. This amendment would not require a subsequent vote. The account is there. It runs into billions of dollars. I submit that because no additional vote is required, this proposal by a private member is in order.

The Chairman: As the Chair indicated, I would like to rule on the acceptability of the amendment, and I thank hon. members for assisting me. My first inclination was to accept the amendment and I have not changed my mind, although hon. members have indicated that the matter is not entirely clear. While we would want to be precise in following the procedural precedents and citations, I do not think members of the committee would want the Chairman of the committee of the whole to be unduly technical or precise, following the suggestion made one day by the hon. member for Peace River that the Chairman should not try to find sin where there may not be any. That is the sort of approach I would like to take.

The hon. member for Ottawa West raised a point of order which I am sure is not in dispute, namely, that if the amendment results in a direct charge on the treasury then of course it may not be moved by a private member. The hon. member for Winnipeg North Centre, as I understand it, has argued that there may be an additional contribution to the superannuation fund by the employee and the employer, but that this would not involve any vote by Parliament.

While the matter is not free from doubt, it would seem to me that because there is not a direct charge involved, and because there is existing authority for this particular vote, I should rule that the amendment is in order. Perhaps I should put it in a formal sense. It is moved by Mr. Knowles (Winnipeg North Centre):

That clause 27 of Bill C-207 be amended by inserting therein, immediately following line 16 on page 11, as a conclusion to sub-paragraph (ii) of paragraph (c) of subsection (1) of section 11 of the Public Service Superannuation Act, the following words:

"provided however that the reductions indicated in this sub-paragraph shall not be applied in the case of any employee who does not retire voluntarily from the Public Service;"

Mr. MacLean: Mr. Chairman, I have a few observations to make on Part VII, clause 27 of this bill, but I shall limit my remarks to the first part of that clause, as has been agreed. However, I regret that Part VII is included in the bill at all because I see no necessity for including it as a consequence of any other part of the bill being approved by Parliament. I think it would have been much better had the government introduced Part VII of the bill as a separate bill, which could be referred to a standing committee of the House, where witnesses could be called, where people concerned and affected by the provisions of the bill could be heard, such as representatives of the Public Service Alliance, or anyone else concerned.

Even more important than the effect which this part of the bill will have directly on the people concerned is that the amendments proposed in it reflect or are characteristic of certain trends, trends which we as a Parliament have never carefully studied. The hon. member for Winnipeg North Centre has stated that he is in favour of early retirements. That may be his point of view. I may hold that point of view or a different point of view, but I think that as a nation we have not decided what is an appropriate retirement age. There are trends toward younger and younger retirement. For example, the qualifying age for old age pensions has been lowered. The qualifying age for other pension schemes has been lowered.

I am not so sure that this is the best solution to the situation in which we find ourselves, because this is happening at a time when the lifespan of the general population, is lengthening and when generally speaking, statistically at least, people are remaining in better condition, both physically and mentally, to an older age. I think it can be argued that it is not in the national interest, or in the interests of the individuals concerned to put those people on the shelf, as it were, when they are still in good physical and mental condition and are willing and able to contribute to the productivity of the nation for a few more years.

• (3:50 p.m.)

There is also a trend at the present time to require more and more preparation to enter the labour force. A few years ago it was common for people to end their formal education and go to work at age 16, but now this usually happens when they are older because more training is required. Specialist professions such as medicine require many years of preparation, and I do not see why such a career is forcibly truncated by the notion that

everyone wants to retire as early as possible. I do not think that follows at all.

Of course, it will be argued that because of technological advances the production of goods and services requires less labour and therefore people must be retired earlier or there will not be enough jobs to go around. I doubt if this is true but if it is I think a better proposition would be shorter work weeks for a longer number of years in order to keep people productive and active as long as possible.

Early retirement means that people contribute to the pension fund for a shorter number of years and then, should they retire five years earlier than was previously considered normal, they will receive the pension for at least five years longer than would otherwise be the case. As a result, the rate of contribution must be higher in order to keep the fund actuarially sound. This makes it difficult to provide an adequate pension because, as we all know, a certain amount of inflation is inevitable. Apart from inflation brought on by artificial means or mismanagement, there is the inevitable rise in the cost of living. As populations increase the per capita quantity of goods and services to be distributed to them is reduced. This means that our material wealth must be obtained from more expensive sources. It is very difficult to provide an adequate pension if it is to be drawn for a great number of years, even with the cost of living increment provided by the legislation. It is almost certain that anyone who is on pension for a long time will die poor no matter how adequate the pension was at the start. If a person started to draw pension at age 55 and lived to be 90, which is quite common, I hate to think what the dollar would be worth then.

There is another important reason why this part of the bill should have been made a separate bill and have gone before committee. I think the civil servants affected by this legislation have a fundamental right to express their views before the committee. I recognize that the Public Service Alliance has made laudatory remarks about the bill. One of their statements reads:

> The Public Service Alliance of Canada has welcomed the introduction of legislation that would permit early retirement without actuarial reduction of pensions for public employees in certain cases.
>
> The major change is that an employee who has reached age 55 and has at least 30 years of service may retire voluntarily and receive an immediate annuity with no actuarial reduction because of early retirement.

I agree with that measure and approve that aspect of the bill because it has certain things to commend it which bring it somewhat in line with the age of retirement for persons in the military services, the mounted police and other categories who go on pension at age 55 or a little earlier, including members of Parliament in a few cases.

But that is not the whole story, Mr. Chairman. Like the hon. member for Winnipeg North Centre, I am concerned about the government's motives in the introduction of this bill. I should like to think they felt impelled to introduce it because of their interest in meeting the request of the Public Service Alliance but I am afraid I am sceptical. I am doubtful if that was their only reason for introducing these amendments, especially the one which makes it possible for the government to forcibly retire certain categories of people on pension.

I do not know for what future possibility the government is providing, since they are not likely to reduce the total membership of the civil service. We all know that in the years of this government and its immediate predecessors the civil service has increased rapidly. More and more civil servants are being put into unproductive work which does not permit them to contribute to the national welfare as much as they might, but this is the result of government policy. Does the government intend to create a great number of vacancies in the civil service in order to allow that large group of people now in their early twenties to enter it? I do not know and none of these questions have been answered. I should like a much fuller explanation of the effect of this legislation on all categories of civil servants and of the government's intention on its application when it becomes law. How will it affect typical civil servants and how many will be affected? It is most unfair that people who have made a career of the civil service, who are reaching their most productive years when they can look forward to further rapid advancement from age 55 to 65, should be retired compulsorily. Promotional advances, coming at that age, would affect beneficially the pension of public servants. If for any reason the career of a public servant is terminated, prematurely or, at 55, say, the effect on the pension will be tremendously detrimental, because the six best years on which the pension is based would be years that would lie in the future of that civil servant. I, therefore, hope that the minister will give a fuller explanation of the purposes of this amendment to the Public Service Superannuation Act.

• (4:00 p.m.)

Mr. Francis: Mr. Chairman, this bill has been the subject of a good deal of close examination by hon. members and staff associations. Obviously, these clauses are extremely important to many members of the Public Service. I have followed with interest the remarks of the hon. member for Winnipeg North Centre and of the hon. member for Malpeque, who have raised some fundamental points.

When first reading this bill I, too, was under somewhat of a misapprehension with respect to what it did. As a result of discussions with my colleagues and with the minister, I now understand it more clearly than I did at the beginning. First, may I say that the bill itself does not confer the authority to hire or fire. It does not give authority to dispense with the services of any individual civil servant. These are amendments to the Superannuation Act. The right or, shall we say, the authority of the government to terminate the services of any particular member of the Public Service does not hinge on the legislation before us today.

An hon. Member: Who said it did?

Mr. Francis: Well, I have listened to comments of hon. members on the other side. I think there has been a little

confusion on this point in their minds, and in the minds of many in the Public Service.

An hon. Member: Which members?

Mr. Francis: About a year ago some in the Public Service were laid off. The government reviewed the activities of departments and decided on the levels of staff which were fair and proper to enable the departments to carry out their work. Some members of the Public Service were retired at that time. I would not wish to suggest that there were very many. I think the total came to something over 400. A few of them would certainly have benefited if the provisions which are now before the committee had been enacted and on the statute books at that time.

These measures, in effect, provide more generous options for some public servants. The hon. member for Winnipeg North Centre put it very well. He said if you are 55 and have put in your full number of years of service, you may well welcome these provisions. On the other hand, if you have not reached that age and have not made your full contribution, then a certain number of difficulties arise. I think there is no member of this House who is not sympathetic towards the amendment which has been proposed, or towards the general purpose of the amendment. The hon. member for Winnipeg North Centre says that if you are retired compulsorily there should be no diminution in the pension to which you are entitled. You take the number of years served, multiply by 2 per cent, and arrive at the result. I think all hon. members will need to reflect more on this point. The government is trying to put forward a principle, a principle of encouraging second careers. It wants to make the voluntary option of early retirement possible and to soften the conditions under which a number of people may be, have been or could be, shall we say, separated from their employment.

The problem is a serious one. If you are 55 and have served 35 years, there is no problem, as the hon. member for Winnipeg North Centre put very well. Actually, a number of public servants have called me welcoming these provisions. The number of calls I have received welcoming these provisions is substantially in excess of those in which the caller has raised questions regarding any possible adverse application of these provisions.

If you adopt the principle under which you permit reduced pensions for those who are retired voluntarily, how will you square that with this amendment which says that if you are retired against your will, there is to be no diminution in your pension? If ever there was a provision which would encourage malingering, this would be it. In other words, if you were in the situation in which you could retire voluntarily, your pension would be reduced; but, on the other hand, if you made yourself obnoxious and were lax in the performance of your duty, and were retired, then your pension would not be reduced.

An hon. Member: Come on, now.

Mr. Francis: I point out to hon. members some of the possible consequences of the amendment.

[Mr. Francis.]

Mr. Douglas: The hon. member is straining at the leash.

Mr. Francis: No, Mr. Chairman. Is this not one of the possible effects of adopting this kind of amendment?

Mr. Knowles (Winnipeg North Centre): You can still fire that public servant.

Mr. Francis: That is right. And according to the amendment, if the government were to dispense with the services of that public servant, there would be no diminution in the pension. It would be substantially to the economic advantage of the employee concerned to have the government fire him, instead of taking the initiative and retiring voluntarily.

Mr. Douglas: Come, come now.

Mr. Francis: Would that not be the effect of the amendment?

Some hon. Members: No, no.

Mr. Francis: I am asking the hon. member who proposed the amendment if I have not correctly interpreted what the potential effect might be in certain circumstances?

Mr. Douglas: Mr. Chairman, if the hon. member is asking a rhetorical question, I will answer it. May I say that what he is suggesting is a reflection on the type of people who are in the Public Service, and I do not think it is warranted.

Mr. Francis: Mr. Chairman, in reply may I say that I have put nine years of my life into the Public Service and I have the greatest respect for the members of the Public Service of Canada who serve this country as well as any country in the world is served. We have a Public Service of which we can be infinitely proud. That does not alter the fact that the effect of the amendment will be to create the wrong types of incentives. There may be some people, and no doubt their number will be small, who might look on the matter in the way I have suggested. Our problem is that we must legislate without creating distortions and without bringing into play such motivation. The problem which hon. members of the House must face is, what is good public policy. I come back, Mr. Chairman, to the fundamental point.

The authority of the Government of Canada to retain or dispense with the services of any individual member of the Public Service does not hinge on the legislation which is before us today. This legislation softens the condition under which some employees, who might in any case have been retired, will be or may be retired. I think this will affect very few of them. Under these conditions, some pension benefits would be available to them. I would welcome a statement from the minister on this matter. I see he is in the House. I hope that he will make a statement to the House indicating that the government will maintain its role as a good employer, as it certainly has been, and that it intends to follow policies which will not be disadvantageous to any people in a technical way.

It is difficult to devise an amendment which would legislate equity in all circumstances. A good example of what I mean is the particular amendment before us today. I am sure that the hon. member for Winnipeg North Centre had the very best of intentions, but in all conscience I would have difficulty in subscribing to the amendment. I think that hon. members on both sides of the House may also want to think deeply about it and examine their own consciences before supporting it.

Mr. Ritchie: Mr. Chairman, in speaking to this amendment to clause 27 of the bill, I should like to take this opportunity to present a few ideas on superannuation for civil servants. It is convenient to give certain categories of civil servants the opportunity for early retirement, but in many instances this has to be agreed upon according to the nature of their jobs and special skills, which may diminish, rendering them less effective. There are however many features of this legislation that make it very suspicious. They could be used to serve other purposes.

I should like to point out that for those in the civil service who will be able to retire at 55, at a pension equivalent to 60 per cent of their salary, this provision is quite attractive. It certainly will be attractive to those civil servants who are over the $15,000 or $20,000 a year mark, in view of our very high rates of income tax at these levels. For instance, a $30,000 a year civil servant does not give up too much by taking early retirement, as the income tax branch is the main loser on this taxpayer. In fact, the $30,000 a year civil servant, or any other person for that matter in that bracket is only giving up about $4,000 and not the $10,000 that might be indicated. I should think there would be quite a wastage of the top level civil servants which the civil service can ill-afford to lose. Unless it is made attractive for these top level civil servants to remain in the public service, it would seem that the civil service will remain relatively scarce of expertise and the high training that many of these civil servants in the higher income brackets have.

• (4:10 p.m.)

Of course, we are approaching the time when the work ethic is diminishing in attractiveness to our general population. It certainly is true that many of the civil servants who will take advantage of this formula are in themselves very creative people. And from their point of view it will certainly be a great inducement to go into early retirement and enjoy those years between 55 and 65, when life can be more full for them in other lines of endeavour.

Then, there is provisions for retirement between 50 and 55 years of age as was ably stated in the House on February 2 by the hon. member for Winnipeg North Centre. This poses some advantages and also some disadvantages. If a person is 50 or over but below 55 and had 20 years service, he would get approximately 20 per cent of his best six years in pension. This would be a very meagre return for him, particularly as many people in his category would be supporting families not yet away from home and not yet educated. If a $10,000 a year civil servant who is over 50 would only receive $2,000 in pension he would find himself in an almost impossible position. He would have to look for other income and, being over 50 years of age, would find himself very limited in what he could procure in the way of jobs.

It is perhaps a tragedy that, as a result of the widespread inauguration of almost universal pension plans in our work force, older workers are just not wanted because of the pension requirements. Indeed, I am sure that a survey of small businesses would indicate there are many types of people working in these businesses who normally would be in larger companies if it were not for this pension requirement. Indeed, I would say that small businesses often depend on these people for their work force. I realize it is a very good thing for the individual to be able to retire at an early age and receive some benefits for his service and for his contribution. One of the attractions of the civil service has been that although the salaries have been considered relatively low in relation to private industry, perhaps it is not so true now, security of tenure and the prospect of a modest pension at the end of their career appeal to many people. For various reasons many people must change their careers in mid-stream and it is a good thing that people who have to do this could receive a pension.

But, Mr. Chairman, there is another side to this problem in part seven of this bill in that the government may avail itself of this part seven and compulsorily retire people at age 55 on the pension they would get, or even down to age 50 on the reduced pensions provided by this legislation. If this is adhered to certainly there could be a great deal of unhappiness in the civil service. The hon. member who has just spoken said in no way provided for the severance of individuals from the civil service. One of the areas where it seems to me that this bill could be closely looked at is the retirement pension based on the average of his best six years. In the case of workers who have to retire between the ages of 50 and 60, or do retire, the resultant pension could mean a severe loss. The reason for this is that between the ages of 45 to 60 a civil servant, like most citizens, often receives rapid promotion and rapid increases in salary. At no time has this been more evident than at present, with the severe inflationary factor that has been prevalent in this past six to seven years. I think this formula could well be refined so that it would be based perhaps on the best year of his last six years or some such format that would give him a truer pension rate. This would be especially valuable when a civil servant has to retire compulsorily in order to comply with government regulations.

Now, Mr. Chairman, the advent and promotion of bilingualism in the civil service has created, is creating and will continue to create major upheavals in a normal career pattern. The advent of bilingualism in the civil service making it preferable that a civil servant be bilingual, and in certain cases mandatory, has added a large dimension and change in the job pattern. It is very obvious that many jobs that might be considered unilingual could be easily declared bilingual and necessitate a change of personnel. Furthermore, many people who are unilingual could never become bilingual, so it may well be that many civil servants will find themselves redun-

dant long before they have reached normal retirement age.

The now celebrated recommendation that $2 million is to be allocated for the introduction of 250 francophones, if we can define what a francophone is, indicates a fundamental change in the direction of the civil service. Although the government states that it is pursuing a policy of bilingualism, it is quite obvious that this must be set aside if the attempt by the government to equalize the number of those speaking French and those speaking English is to follow a mathematical formula. It is difficult to know what level the government would consider reasonable for the participation of French-speaking Canadians in the Public Service, but whatever it is that level should be defined.

There is no doubt about it, this policy will abrogate the merit system. If the government is to give up the merit system in exchange for some method of entry into the civil service other than by merit, we should know what this is. The $2 million program is almost certainly a make-work program because the special recruitment would apply to additional programs rather than complement existing ones and priority would be given to advancement of the 1972 program. None of these programs is in response to a public demand and at the moment even the government does not seem to know how these programs would develop.

The government has indicated that this is only part of a larger program to take into the public civil service some of our unemployed university graduates and presumably keep them from being drop-outs or other socially undesirable people. But government programs, once effected, have a great ability to carry on indefinitely and this is where I feel the Public Service Superannuation Act will come into effect. It will be a simple thing to cut the civil service in more prosperous times by lopping off those who will be in the upper age group and no doubt many of them will be unilingual and be unable to acquire bilingual status. Indeed, bilingual status may well be closed to them by means of administrative channels.

The development by the government of certain French speaking units only, which the President of the Treasury Board described as part of a policy to provide areas in which bilingual anglophones can exercise a proficiency in French, may well indicate that we are moving into an area of a dual language civil service. The mere fact that the Secretary of State is supervising the linguistic programs could well indicate that we are moving in this direction. In my opinion this might not be all that bad an idea, but if it is so, then it is obvious that this superannuation bill will be of paramount importance because it will be necessary to reconstruct the whole of the civil service and there would be much redundancy in many departments.

It is well known that the civil service is in a severe state of flux and the introduction of bilingualism has made it extremely difficult to apply the merit system on which the whole of the civil service has been based. But if we are to have wholesale changes within the civil service, and if a large number of civil servants have to leave the service prematurely, particularly in the age group of 50 to 55, then it is most important that these people when they are compulsorily retired should get a fair deal. Much of the morale and security of the civil servant would be broken if after 20 years of service he were compulsorily retired on a salary less than he would receive as an old age pensioner on a guaranteed income supplement. Therefore, I do believe that it is most important to this House that it consider the retirement formula ought not be based on the average salary for six years, but perhaps on the salary of the best year of the last six.

• (4:20 p.m.)

Mr. Benjamin: Mr. Chairman, I rise to speak in support of this amendment. I am prompted to do so as a result of the remarks of the hon. member for Ottawa West who raised the question of the government's right to fire or to lay off workers. This right was not brought into question at all, and I submit this is an attempt on the part of the hon. member to square himself. He knows that a number of members of the public service are alarmed about this feature of the bill, yet the hon. member says he intends to vote against the amendment. Therefore, he must find an excuse to justify his vote against it.

The hon. member talked about malingering and, in view of this, I think it is for us to suggest motives on the other side of the coin. Firings can be carried out for a variety of reasons which, although they may not be apparent, are thought or known to exist. At the present time there is too much suspicion, whether justified or not, that a lay-off immediately prior to pension, without provision for call-back, is done deliberately in order to save the government pension money. I think a lot of this suspicion is unjustified, but surely an amendment such as this would help to allay such suspicion.

Let me give the committee an example. If my colleague from Vancouver-Kingsway were to get her way and all of the recommendations made by the status of women commission were implemented, one could visualize a minister or deputy minister of a department saying there were too many men employed there and firing some of them in order to provide equal status in terms of the number of women employed by the department. If the people fired were under the age of 55, they would have no choice but to accept the pension reduction that is proposed in this bill. Similarly with bilingual civil servants, what is to prevent a senior civil servant or deputy minister deciding there were not enough French-speaking or English-speaking people in a department and firing some of the employees to correct the imbalance thus forcing them to take the reduction proposed in the bill?

Frankly, I think the instances that the hon. member for Ottawa West raised or the ones I have raised will be so infinitessimal in number as to make not only the argument he presented ineffectual but the counter argument I put forward equally ineffectual.

An hon. Member: They are red herrings.

Mr. Benjamin: Yes, I think they are red herrings; but if the hon. member insists on talking the way he did, I

think I should indicate what would happen on the other side of the coin. With the prerogative of management that an employer has, he can fire to save money, or a senior civil servant or minister could fire somebody he did not like. One red herring deserves another. If the hon. member's arguments in opposition to the amendment are logical, then I submit that mine are even more logical than, or at least just as logical as his.

Malingering is a general term, something the hon. member would find difficult to prove. What is alleged to be malingering often is attributable to the incompetence of a minister or deputy minister who cannot run his department, with the result that the employees sit around with nothing to do. They are given no direction. Often this sort of thing is labelled malingering and the employees are blamed for it, rather than the blame being placed where it should be.

I think this amendment would remove once and for all any possibility of improper motive being attributed either to the government generally or to a minister or senior official with authority to hire and fire. If this amendment were adopted, then no one could say at a later date that an employee had been fired because the government wanted to save some money on his pension. Such suspicion would be completely removed. I should think that the President of the Treasury Board and the government—any government—would want to have this kind of provision so that when firings are carried out they are a direct result of government policy or some just cause on the part of the authorities, with no suspicion as to motive.

For the life of me, I cannot understand why the hon. member for Ottawa West or the minister does not agree at second blush, if not at first blush, that this amendment is worth accepting.

Mr. Francis: Would the hon. member permit a question?

Mr. Benjamin: Surely.

Mr. Francis: I am trying to understand the hon. member's argument. Is he suggesting that somehow one could say that the government was firing people to save money on their pension? I am having difficulty following him, but is that what he is saying?

Mr. Benjamin: Of course, that is what I am saying. The way the bill stands now, such suspicion is there. People could feel that the government was firing staff under 55 years of age who would then be forced to take this reduction. Surely, that would save the government money.

Mr. Francis: I am trying to understand the hon. member, but perhaps he could explain how this would save the government money.

Mr. Yewchuk: Why don't you listen?

Mr. Francis: I am listening, and I am trying to follow the hon. member's argument. Although there is an actuarial reduction, the pension is payable over a longer period of years. Every attempt is being made to make the actuarial equivalent the same as a normal pension. How, then, is the government saving money?

Mr. Benjamin: Mr. Chairman, I was trying to explain the kind of suspicion that might exist that people who are fired by the government are fired to save money. I suppose this would save money in one way or another, but that is not really the point. The hon. member cannot put me off my point by trying to justify his position, which I submit is unjustified, by bringing in a red herring about malingering. I suggest that if that is his only reason for opposing the amendment, he is on very soft ground.

Many civil servants are concerned and worried about this situation, and this amendment would allay that worry. It seems to me the amendment would be of benefit to the government, too. Since the hon. member talked about malingering, I would ask him about the vindictive senior official or deputy minister with the capacity to fire a person they did not like before that person has reached the age of 55. I would also ask him, what about the changes to be made if the recommendations made by the status of women report are implemented? Adjustments are being made right now in the public service to implement the good bilingual recommendations that have been made. What about those people who cannot or will not learn English or French and are fired before they reach 55? Supposing certain people are completely incapable of learning a second language or are unable to reach sufficient proficiency, and are fired as a result? I submit that this kind of fear is just as justified as the arguments posed by the hon. member in opposition to the amendment.

I hope the hon. member will reconsider his position. I hope the President of the Treasury Board will agree that this kind of amendment is what the government needs to enhance its standing in the eyes of its employees and remove any doubt or suspicion the employees might have if they are fired and not recalled prior to the age of 55, being then required to accept the proposed actuarial reduction in their pension.

Mr. McGrath: Mr. Chairman, I should like to say a few words on this particular amendment. First of all, I agree with the arguments that have been put forward. I will not repeat them because I know the government is anxious to proceed with the bill; suffice it to say that I think they are reasonable and responsible arguments. I find it difficult to understand why the government cannot accept the amendment, and for my part I intend to vote for it.

Having said that, may I take this opportunity to bring up a problem which is of special interest to my province and hence very local in nature. It concerns what is a consequence of this particular clause of the bill, an anomaly in the terms of union between Newfoundland and Canada. Clause 2 of term 39 of the terms of union between Newfoundland and Canada reads:

• (4:30 p.m.)

Canada will provide the pensions for such employees so that the employees will not be prejudiced, and the Government of the Province of Newfoundland will reimburse Canada for the pensions for, or at its option make to Canada contributions in

respect of, the service of these employees with the Government of Newfoundland prior to the date of Union, but these payments or contributions will be such that the burden on the Government of the Province of Newfoundland in respect of pension rights acquired by reason of service in Newfoundland will not be increased by reason of the transfer.

That is section 2 of clause 39 of the terms of union between Newfoundland and Canada, whereby Canada assumes the pension responsibility and the pay responsibility of certain public servants in Newfoundland who, pursuant to the terms of union between Newfoundland and Canada, come under the federal civil service or under the jurisdiction of the Crown in the right of Canada.

The difficulty is that there are a number of federal public servants in the province of Newfoundland who, at the time of union, came under the jurisdiction of the government of Canada. Prior to union, these people were employed in the postal service, customs and immigration services and the Department of Finance in Newfoundland. Even though they may have reached the required age, they will not have the required amount of service by virtue of the fact Newfoundland has only been a province of Canada for 22 years. Consequently, they stand to be disadvantaged by this legislation. In other words, they will not be in a position to take advantage of this legislation. That is an anomaly. It is something over which they had no control at the time, and over which they have no control at the present time.

I feel that it is incumbent upon the government of Canada, having assumed the responsibility for these people under the terms of union between Newfoundland and Canada, to live up to that obligation. More particularly, they should live up to the spirit of that obligation and make provisions whereby these people will not be disadvantaged or prejudiced in any way as a consequence of this bill now before the House. I say the spirit of the law as opposed to the letter of the law, because I am sure the President of the Privy Council and members of the government can argue on the basis of the letter of the law. They can argue on the basis of the precise wording of term 39 of the terms of union between Newfoundland and Canada that this is legally the responsibility of Newfoundland and that the government of Newfoundland has to make up any deficiency to these pensioners.

I say to the minister if he were to apply that argument to the government of Newfoundland, I would point out that at the time of the signing of the terms of union this legislation was not anticipated. The situation was not anticipated whereby federal civil servants would be entitled to take certain retirement benefits at age 55. That is the crux of the problem.

I know that the President of the Treasury Board is very interested in this because I have talked to him about it. At the present time, there are a number of cases before Treasury Board of individuals who are now pensionable and who are trying to acquire their rights. They are trying to establish their position as a consequence of that particular clause. I know that the minister is very interested in the plight of these people.

I put forward their case to the President of the Treasury Board, the government and the committee, with the knowledge that the government will not hide behind the letter of the law, but will want to live up to the spirit of it. There are not many people involved. It would not be difficult to get a count of the number of people involved. There are certain employees of the postal department, the Department of National Revenue, customs officers, immigration officers, the Department of Finance and even certain employees of the minister's department, the Treasury Board.

These people expect to be justly treated by the government, not on the basis of some inadequacy of the terms of union. Rather than hiding behind the letter of the law, these people must be treated on the basis of the fact that they are now Canadians. At the time of union, the government assumed responsibility for these people. They became federal civil servants. They were not supposed to lose their rights of seniority and hence they should not lose their pension rights. I put this case to the minister. I hope that he will shed some light on it and give some words of encouragement so that these people will know what their rights are before the committee passes this particular clause of the bill.

Mr. Drury: I wish to say a few words in response to some of the questions that have been asked. I will deal first with the specific point raised by the hon. member for St. John's East. The government of Canada has every intention of not only living up to the legalistic terms of union, but to the spirit of that covenant.

Some hon. Members: Hear, hear!

Mr. Drury: Unless an ex-employee of the government of Newfoundland has elected not to count service with Newfoundland toward the service of the Superannuation Act, that service with the government of Newfoundland will count for service for the purpose of these amendments. If this is the problem of which the hon. member is afraid, I assure him that there is no such problem. With the passage of this amendment, ex-employees of the government of Newfoundland and new employees of the government of Canada who come under the Superannuation Act will not suffer any prejudice.

The hon. member for Malpeque suggested that perhaps there are now too many people in the public service, and that perhaps the object of the government in passing this legislation is to make it easier to get rid of some of them. The hon. member for Ottawa West provided a satisfactory answer to that. It is not the intention of the government, as a consequence of these amendments, to in any way alter the approach to the hiring, laying off or firing of public servants. The background will remain exactly the same after the passage of the amendments as it did previously. For those who, in the public interest, are laid off before reaching the current retirement age of 60 years, those who have been laid off in the past and those who will be laid off for some reason in the future, there will be more just and equitable treatment.

• (4:40 p.m.)

While perhaps one cannot help but agree with the hon. member for Winnipeg North Centre that this is not as generous as his amendment would make the arrange-

ments, or not as generous with the taxpayers' money, I would still insist that since his amendment would tend to increase substantially the charge on the treasury this is the principal reason I must oppose this amendment and the principal reason I would not have been in favour of introducing it. This does represent an additional charge on the exchequer. Because of this, and the fact that the contributory scheme would be out of balance if this kind of thing were done, we will oppose it. I repeat it is the intention of the government under this amending legislation to continue to behave as a good employer and to recognize the talent there is in the Public Service. This talent shall continue to be used in the public good and the number of releases which would be contemplated whether or not this particular clause 27 is passed will not be increased.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I have just one question. I thought I heard the minister say, and he can correct me if I misheard him, that this change will soften the process of leaving for those who have already retired and for those who will retire. If he did say that or if I thought he said that, was it not incorrect with regard to those already retired; is it not true that these provisions will apply only to those who retire or who are retired after this bill is passed?

Mr. Drury: The latter statement, Mr. Chairman, is the correct one.

Some hon. Members: Question.

The Deputy Chairman: Is the committee ready for the question?

Some hon. Members: Agreed.

The Deputy Chairman: The question is on the amendment of the hon. member for Winnipeg North Centre. All those in favour of the amendment please rise. All those against the amendment please rise.

Amendment (Mr. Knowles (Winnipeg North Centre)) negatived: Yeas, 21; nays, 26.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I believe we are still on new sub-section (1) of clause 27 and I should like to raise now with the minister another question to which I alluded when I spoke earlier this afternoon. Am I correct in my understanding that a combination of this legislation and the escalation of pensions after retirement provision of last year's bill, C-194, will produce the result I described. As I described it, a person who retires or is retired at any age under 60 under the provisions of this legislation will be entitled to the escalation of his pension without having to wait until age 60? Did I understand that correctly?

Mr. Drury: I would have to check on that. I should know it, Mr. Chairman. My recollection is that the escalation is applicable to all those who have retired on pension whether it be at age 65, at age 60 or at an earlier age for medical reasons. The escalation operates from the time the pension is payable. The reason we have, up to the present time, age 60 is that this is the earliest age at which, for non-medical reasons, one can start drawing a pension. If this age should be moved down, I assume the escalation then would apply as from the date the pension became payable for whatever reason.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, like the minister I do not have with me all the legislative material there is in this area. Unlike the minister, I do not have an adviser over my shoulder, but I believe he and I are both right in our interpretation. I have looked into the matter rather carefully and others who are interested in it have done so as well. Certainly the people in the Public Service Alliance of Canada understand it this way. As the minister says, up to this point the only public servant on a pension before 60 years of age who is entitled to the annual escalation is the public servant who is on pension at that earlier age for medical reasons. I believe it is correct, however, that when a person goes on pension at an earlier age for this kind of reason that will also be the point at which the escalation will begin. The minister is nodding his head.

Mr. Drury: Mr. Chairman, perhaps I should make clear that the escalation operates not from the date the man goes on pension, but the date when the pension is payable. I, myself, retired from the Public Service some years ago and I will get a pension, I understand, at age 60. I do not like to have the hon. member describe me as now being on pension or indeed at age 60 going on pension. The thing we should look at is the date at which the annuity or pension becomes payable for whatever reason. It may be the date of retirement or it may be later.

Mr. Knowles (Winnipeg North Centre): The minister is taking us down another lane which needs to be looked into as well. But I believe the ruling will be to the minister's advantage. I think he will discover that when he gets his pension his escalation will date not from the time his pension payments begin but from the time he was separated from the Public Service. I was hoping I might get some nods somewhere in the gallery but these public servants are as discreet as they can be. Oh, I saw the appropriate official nod to the minister. I am sure the minister is pleased to know that is the case.

I am fairly sure about this because last year when dealing with this matter I had some correspondence from a number of public servants who had left the Public Service and had arranged for deferred pensions to come in at age 60. The question was, would those people at age 60 get the escalation only from that date or, from the date of severance from the Public Service. The answer was the latter. I believe that is clear, unless someone can say I am wrong. The minister has a smile on his face. We are not trying to encourage him to leave, at least not singly. But we would like to see him go and take the whole Cabinet with him.

• (4:50 p.m.)

This supports the position which the minister knows I want to take. We are now moving beyond the question of retirement for medical reasons. We are now making it fairly general that people who are on pension from the public service at ages under 60 will be entitled each year

to the escalation due to the cost of living increase, an escalation that is paid for out of that special fund into which we all pay a half of one per cent. What reason has the minister left for not doing the same thing for retired RCMP and retired armed forces personnel? The whole argument that he made last year was that 60 was the age for retirement of public servants. They did not receive the escalation until they were 60, unless there was a medical condition. By the way, the armed forces and the RCMP people get it also if they can establish medical grounds for their retirement, and it can also happen if one of those persons was perfectly healthy when he was retired but two or three years later is medically unable to take work. He can get the escalation.

We are widening this principle. I do not see how we can withhold any longer this right from retired RCMP and retired armed forces personnel. I want to say to my friend, the hon. member for Ottawa West, that I do not think there is any amendment I can move in this respect, so he is not going to be embarrassed by any kind of vote. I hope, therefore, he will support me in this principle. I know that you, Sir, if you were over there in your seat instead of in the chair, would get the same appeal from me, and I think you would agree with me. I know your record.

Mr. Francis: May I ask the hon. member a question? Is the legislation to which he refers, the superannuation programs, covered by the bill before us today? It appears to me, and I defer to the very good knowledge of the hon. member for Winnipeg North Centre in this area, a knowledge which he has demonstrated on many occasions, that the particular programs to which he was referring and the escalation between 60 and 65, are covered by this bill.

Mr. Knowles (Winnipeg North Centre): I would say they are not under this bill, but I think that that is quite irrelevant. What we are doing in this bill is establishing a certain principle for retired public servants. This principle is achieved not just by this bill but by the interweaving of this bill, with last year's bill dealing with pensions for members of Parliament. It is the interweaving of the two that produces this result for retired public servants. I am simply arguing that, therefore, we should be doing the same thing at the same time for retired armed forces and retired RCMP personnel. Let the President of the Treasury Board not tell me that that goes beyond the realm of this bill. This omnibus bill has everything in it but the kitchen sink, and I suspect the kitchen sink is also in it.

An hon. Member: It is in one of the schedules.

Mr. Knowles (Winnipeg North Centre): Levity aside, Mr. Chairman, it does seem to me that we have come to grips here with a pretty important piece of discrimination. As I said, I cannot claim that last year I put up one of my decade long fights over the issue because the minister put forth and stood by the argument that 60 was the normal retirement age for public servants. They would not get the increase until they were 60 unless there was illness, and therefore retired RCMP and retired armed forces people should not get it either unless there was illness. But now we have broken that barrier, we have shattered that argument; we have now established that when people retired compulsorily or as of right at any prescribed age they are entitled at that point to get the escalation. If the RCMP and armed forces personnel retire compulsorily or as of right at the ages prescribed by legislation, I do not think it is fair that we continue to deny it to those people, and I am glad to see the hon. member for Ottawa West nodding his head. I hope the President of the Treasury Board will do the same. In fact, I hope he will do better.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Drury: I cannot help but be moved by the eloquent plea of the hon. member for Winnipeg North Centre. I think the government recognizes that there should be equity and relativity between the superannuation or pension treatment accorded to the public service on the civilian side and ex-members of the RCMP and of the armed forces. As was pointed out, these particular pension arrangements are administered under different acts, not the superannuation act with which we are dealing now. For some time now, the ministers responsible for these two forces have had under study amendments which would be needed to those particular acts to establish a greater degree of relativity in this respect than now exists. It would be my hope that any imbalance that the passage of these amendments might bring about in the relationship of pensioners in the public service and the two forces could be rectified.

Mr. Knowles (Winnipeg North Centre): I welcome that statement, Mr. Chairman and I am deafening my ear to my leader's suggestion that it will not take more than five years.

Mr. Lewis: That is being cynical.

Mr. Knowles (Winnipeg North Centre): But I mention that to make the plea that there not be a loss of time on this. May I point out that, although this portion of the omnibus bill that we have before us deals only with the public service superannuation act, there are amendments in the schedule to this act. There are two or three members in the House—the assistant deputy chairman of committees and one or two other people—who were missed in the pension arrangements in the omnibus bill of last year. These people are taken care of in the schedule of this act. This is what galls some of us. The RCMP and the armed forces personnel were omitted in last year's legislation. They are missed in the main body of this bill. Why can we not amend the schedule to deal with them? Do not tell me it is a complicated thing that takes a lot of study. If the principle is sound, when people have retired at prescribed ages, they are entitled to the annual escalation of 2 per cent. You cannot call it equity, or something to be studied at great length and say that if you are a public servant you can get it at whatever age you retire as prescribed in this legislation but that if you are in the RCMP or the armed forces you cannot get it.

The Acting Chairman (Mr. Richard): Order, please. It being five o'clock, it is my duty to leave the Chair in order that the House may proceed to the consideration of private members business.

• (5:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Vancouver-Kingsway (Mrs. MacInnis)—Fisheries—Suggested banning of future seal hunts; the hon. member for Simcoe North (Mr. Rynard)—Manpower—Amendment of regulations to extend retraining period; the hon. member for Fraser Valley West (Mr. Rose)—Manpower—Summer student employment and activities program—Deadline for applications under international exchange program.

Mr. Bell: Mr. Speaker, on a point of order: there is some agreement that we forgo private members hour and go back in committee on Bill C-207. With this sacrifice we will show our determination to press on with that bill, as controversial and as iniquitous as it may be.

Mr. Francis: Mr. Speaker, I hope the spokesmen for all parties are in agreement.

Mr. Drury: Mr. Speaker, I think the agreement is with the procedure, not with that vituperation.

Mr. Knowles (Winnipeg North Centre): Yes, Mr. Speaker, there is agreement to this, except I understand it is just a half hour that we are giving up. There will be a message from the other place at 5.30.

The Acting Speaker (Mr. Richard): Is it agreed that private members hour should be suspended and that the committee shall resume sitting?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISION RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the Chair.

The Acting Chairman (Mr. Richard): The committee was considering clause 27. Shall the clause carry?

On clause 27—*Public Service Superannuation.*

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, we were discussing clause 27(1) before we had the five o'clock interruption, and I just want to complete the sentence I was on at that point. I welcome the minister's statement that this matter is being studied, but I am not convinced these changes could not be accomplished by amendments to the schedule of this bill, in the way some oversights have been taken care of, and I hope that this matter will be looked at before we finish.

We may well finish the debate on clause 27 of the bill shortly, but the bill itself is not likely to be passed today. I am willing for this clause to pass when we finish debating it, but bearing in mind there are references in the schedule to some of these matters I hope the government will give serious consideration to the possibility of correcting this discrimination by amendments to the schedule of the bill.

The Acting Chairman (Mr. Richard): Shall subclause (1) of clause 27 carry?

Some hon. Members: Carried.

The Acting Chairman (Mr. Richard): Shall subclause (2) of clause 27 carry?

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, earlier it was agreed that we would divide clause 27, like Gaul, into three parts. Now, we come to the one that I think has more gall than the other two. Clause 27(2) sets out what some of us regard as a very special privilege, and I should like to hear from the minister about it. He made an attempt to justify it when we were at second reading of the bill, but I am afraid I was far from convinced.

As I read this part of the clause a special provision is being made for any person in the public service who is or has been a deputy head. I take it this refers specifically to deputy ministers, and then to various other people who hold titles like secretaries, clerks, or what have you of very important commissions where, by statute, they are designated as deputy heads. This provision is that if a person is in that category and has been in the public service for ten years—that is all he has to have, just ten years—he can cease to be employed, either by being fired or by retiring voluntarily, and yet continue to pay into the public service superannuation fund until he is age 60. At that point he can get the full pension to which he is entitled for the number of years he has paid in, including the years he was actually working in the public service and the years when he was out but making payments.

I confess I am not absolutely sure whether such a person, when he is out, pays his contribution and the employer's also, or whether he pays only his own.

Mr. Drury: Both.

Mr. Knowles (Winnipeg North Centre): He pays both. The legislation does not make that clear, but I accept the minister's word for it. However, I suggest that this still creates a very special privileged situation for a few people.

I know the argument was that the government wants flexibility. It wants people to come and go. The government seems to be heading away from the idea of the public service as a career. I think it has been a good idea and I think you, Mr. Chairman, and others here will agree with me that the public service has served Canada well because it has had in it hundreds of thousands of people who have given their lives to it. There has not

been a malingerer in the bunch, says my hon. friend from Regina-Lake Centre.

I am not happy about this notion that we are going to have people come in and out. I know part of the theory is that we must not let the bureaucracy develop, the elected people must control things. Well, when I see the kind of control we get from the benches on the other side, I am not happy about that. But in any event, all of that is by-play. The heart of this provision is a special privilege that is being created for a limited number of people.

I suppose there are very few of us in this House who have not had requests from people to be permitted to pay into certain pension funds. We get requests from people who are past the age for contributing to the Canada Pension Plan, and they ask, "Why can't we put in the full amount for ten years and get the benefit"? We have had people in various kinds of public employment and various kinds of private employment make this kind of request.

In most cases, these requests are turned down. I know there are a few special cases. For example, I know that a person joining the public service from certain other kinds of employment can make contributions to cover past service equal to the employment that person had elsewhere. But this right to work in the public service for only ten years and say at age 45, 50, or even younger, that a person could go out, go off into private industry somewhere, with a larger income and another pension, and yet be able not just to get a pension for the ten years he was in the public service but be able to get a pension for those ten years, and for the ten, 15 or 20 years he was not in the public service at all but for which he was able to pay the money, is a kind of special privilege the justification for which I just do not see. Unless the minister gives a much better explanation of this than he has up to this point then, Mr. Chairman, when you call the question as to whether subclause (2) is to be carried or not, this member will be voting no.

Mr. McCutcheon: Mr. Chairman, I should like to pursue the point brought forward by the hon. member for Winnipeg North Centre. When the minister replies I hope he is able to give us some rationale, some reason why this provision is being granted to this select group. There are literally dozens and dozens of pension plans in this country in which these people could invest their surplus money. For the life of me I can see no reason why they should be permitted this special treatment after ten years of service. It is completely incongruous and out of context with the rest of the bill.

• (5:10 p.m.)

If I may, I should like to refer back to the subclause which we just passed. In the old legislation, the employee was required to have a credit of 20 years or more pensionable service, but the new amendment sets the figure at 25 years. On the one hand, these regulations are being made tougher for the employee by an additional five years and, on the other, we are allowing these men to leave the public service after ten years.

Basically, the reason we have a pension plan is to provide something that will attract and keep good employees. Now, we are going to allow them to go uptown and get a good job while continuing to pay into this pension plan when they should be paying into a plan operated by a private business. This pension plan is for the benefit of our employees—and I use the word "our" advisedly—and not for the benefit of employees who leave us. I hope the minister can explain the rationale of penalizing some and passing out a bonanza like this to others.

[Mr. Knowles (Winnipeg North Centre).]

The Chairman: Shall the clause carry?

Some hon. Members: Carried.

Mr. MacLean: Mr. Chairman, I just wanted to make a few more remarks on this matter. I must say that I agree whole-heartedly with the hon. member for Winnipeg North Centre. This looks like a tremendous privilege and I can see no logical reason why it should be available to a small group of people who happen to have served ten years or more as deptuy ministers. I could understand an arrangement whereby their pension benefits would be portable and might be added to pension benefits in private industry or a pension scheme of a provincial government. It seems to me to be extreme generosity to allow people with ten years service to qualify for two different pension schemes at the same time and, in addition of course, the Canada Pension Plan as well. It is difficult to rationalize this, but if the minister has some logical explanation that is a different matter. I hope he has, but it is difficult to see how he can justify this; more power to him if he can. I can think of nothing he could say now which would persuade me to vote for this section, but he may have some remarks to make.

Mr. Drury: Mr. Chairman, the hon. member for Malpeque discourages me from wasting his time and my own, because he cannot conceive of anything that I could say which would change his mind.

An hon. Member: Take a run at it.

Mr. Drury: As they say, I might as well "have stood in bed".

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Drury: The deputy heads to whom reference is made are in a rather different position with regard to a number of benefits which those appointed by the Public Service Commission enjoy. Upon separation, the ordinary public servant has a number of rights not available to deputy heads—the right to earned vacation leave—

Mr. Benjamin: They get it anyway.

Mr. Drury: The ordinary public servant has a right to earned sick leave; no such right is available to deputy heads.

Mr. Benjamin: They get that anyway, too.

Mr. Drury: An employee appointed by the Public Service Commission has a right to severance pay upon separation; there is no such right for deputy heads.

Finally, and I suppose this may be of some significance, employees appointed by the Public Service Commission have a right of appeal to the Public Service Commission if they are dismissed. No such right of appeal is available to deputy heads, nor is there any body to which such an appeal can be made.

In spite of the hoary tradition that deputy ministers are the survivors of a long grinding process, and that once they get there their future is assured, this has not been quite as true latterly as the mythology would have us believe. I was shown a list which verified that job mortality amongst deputy heads has been quite high in the last few years. Some have retired at the normal age of 65, some transferred to other employment and some have left the public service.

Mr. Benjamin: There was a change of government.

Mr. Drury: There are no special provisions for all those people, none of the benefits which apply to those appointed by the Public Service Commission. It is to some degree to compensate for the lack of these advantages and benefits that this particular provision is being proposed.

While the hon. member for Winnipeg North Centre indicates that this is a special benefit for a particular group, I would suggest that it is in some measure an amplification of the rule that there shall be relativity of benefits between various classes of employees. To some degree this establishes a more balanced treatment on separation between people with the status of deputy head and those appointed by the Public Service Commission.

I should point out that this is not a benefit unique to deputy heads. At the present time a number of employees in the public service are granted leave of absence without pay which means, as this proposed amendment indicates, that they are deemed to be continuing as public service employees although drawing their pay from other sources. This arrangement is made for people seconded from the public service to a number of international organizations. This is the arrangement made in respect of this number of public servants who become full time officers paid for by the various employee representative groups, unions, staff associations, etc. For these people, the arrangement is that they are on leave without pay. They are enabled to continue their participation in the superannuation plan by continuing to pay their own contribution as if they were continuing to be employed by the Public Service and by paying, as well, the government's contribution. Thus they pay the matching percentage and make a double payment. In other words, they pay double the normal percentage. It is this kind of arrangement for deputy heads which is being proposed here. It is the same kind of treatment that we allow for those who have been associated with the Public Service of Canada and have gone either temporarily or permanently to serve with international organizations or with employee representative organizations such as the unions.

• (5:20 p.m.)

No one will deny, I think, that this is a benefit; but I point out that under an ordinary contributory plan the employee through his earnings contributes one half of the cost of his pension and his employer contributes the other half. Those who describe the benefit derived by the employee who makes both halves of the contribution to the plan as a bonanza are overdrawing the picture a bit, I suggest. This is somewhat similar to the provisions of group insurance plans which allow ex-employees who benefited under a group insurance plan to continue to participate in the plan provided that they continue paying both their own premiums and the premiums paid formerly by the employer to the plan. That happens in a number of private plans in existence.

We hope here to make available to deputy heads or those with the status of deputy heads the equivalent of the assorted severance benefits which are available as a matter of right to those appointed by the Public Service Commission and, in so doing, make the government as an employer less heartless. It is hoped to make the government less heartless when, in the public interest, it becomes necessary to separate a man with the rank of deputy head before he has reached the full span of service or before he has reached the years of retirement. I hope, in order to establish some greater measure of fairness than now exists and to compensate to some degree for the lack of security of tenure of deputy heads and for the lack of the right to severance benefits of one sort or another which employees appointed by the Public Service Commission enjoy but which those appointed by other methods may not enjoy, that the House will agree to this particular amendment.

Mr. MacLean: Mr. Chairman, may I ask one question for clarification. In the past, at least, most deputy heads had been civil servants prior to their appointments. When a civil servant becomes a deputy head, do the benefits of which the minister spoke, benefits such as severance pay and so on, cease? Are they forfeited, or do they continue, so that when a man ceases to be a deputy head he can still enjoy those benefits?

Mr. Drury: Mr. Chairman, I am not too sure about this. I seem to remember that I did not get any severance rights.

An hon. Member: The minister is too rich.

Mr. Drury: I will try to obtain the information, if I can, and answer that question perhaps in a few minutes.

Mr. MacLean: Mr. Chairman, since this provision, according to the minister, is so innocent and logical, does the government intend to extend this privilege whereby one may contribute both the employer's and the employee's share after termination of employment to members of Parliament who are defeated?

Mr. Gilbert: I was just thinking of the same thing.

The Acting Chairman (Mr. Richard): Order, please. It will be now necessary to suspend the proceedings of the committee of the whole in view of the arrival of the messenger from the other place.

Progress reported.

Government Organization Act, 1970

THE ROYAL ASSENT

A message was delivered by Major Guay Vandelac, Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Right Hon. the Deputy Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

And being returned:

• (5:40 p.m.)

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act to amend the Canada Shipping Act.

An act respecting Canadian Environment Week.

An act to amend the Crop Insurance Act.

An act to amend the Pension Act and the Civilian War Pensions and Allowances Act.

An act respecting La Société des Artisans.

An act to amend the Income Tax Act and to amend an act to amend that act.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending 31st March, 1971.

An act for granting to Her Majesty certain sums of money for the public service for the financial year ending the 31st March, 1972.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): Order. House again in committee of the whole on Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto.

On clause 27—*Public Service Superannuation.*

The Acting Chairman (Mr. Richard): Shall subclause 2 of clause 27 carry?

Mr. Knowles (Winnipeg North Centre): Six o'clock, Mr. Chairman.

The Acting Chairman (Mr. Richard): Is it the wish of the committee to call it six o'clock?

Mr. Bell: Mr. Chairman, since I am the one who talked about progress, although we would be willing to co-operate I find on checking that we have some speakers and I do not think we would pass any clause before six o'clock. Therefore, I think the suggestion of the hon. member for Winnipeg North Centre to call it six o'clock is a good one.

The Acting Chairman (Mr. Richard): Is it agreed?

Some hon. Members: Agreed.

The Acting Chairman (Mr. Richard): It being six o'clock, I do now leave the chair.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 8 p.m.

The Acting Chairman (Mr. Richard): Order, please. House again in committee of the whole on bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto. When the committee rose at six o'clock it was considering subclause 2, new section 11A.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, when Black Rod interrupted us at 5.30 I believe I had taken the floor to answer some of the comments made by the President of the Treasury Board. He had given a little homily on the mortality of deputy ministers. He made it clear it was not physical mortality he was talking about, but in his view and from his study of the matter deputy ministers had rather difficult times economically after filling these positions. I would be interested in seeing his list. As a former deputy minister, I look upon him as exhibit "A".

Mr. Haidasz: He hasn't done too badly.

Mr. Knowles (Winnipeg North Centre): As the hon. member for Parkdale has just said, he has not done too badly; mortality has not overtaken him. I know that he is feeling particularly cheered tonight because of the boost he will get in his public service pension, of which I reminded him this afternoon. He is not the only former deputy minister who has subsequently become a cabinet minister. One former deputy minister became the Prime Minister of Canada. Others have gone on to become heads of big companies, some have become tax consultants with very high remuneration, and some have gone into other fields such as the law. What is the name they use when they are attached to law firms in an honorary position?

An hon. Member: Counsel.

Mr. Knowles (Winnipeg North Centre): They become senior counsel and are very well paid just for having their names on a letterhead. I do not need to mention names; we know who they are. One prominent official, although I do not know whether he was a deputy head in the civil service, became a cabinet minister, and now I believe he is a deputy head because he is head of the Canadian Transport Commission. All told, the minister

would have a difficult time to substantiate his claim that economic mortality is one of the hazards of being a deputy minister. The minister listed the various benefits that ordinary public servants enjoy which are not enjoyed by deputy ministers. I thought some were a bit more fictional than real. For example, he stated that deputy ministers do not get sick leave the way ordinary public servants do.

Mr. Drury: They have no right to.

Mr. Knowles (Winnipeg North Centre): I cannot imagine deputy ministers having to stay on the job no matter how sick they are. I suspect that they get all the sick leave they need. I suspect, too, that they get their holidays. I think this applies to most benefits that the President of the Treasury Board says they do not get during the time they are deputy ministers. The minister did not list all the advantages that accrue when a person is a deputy minister. We do not know how many benefits and advantages they get for being a deputy head. The minister did not mention their expense accounts. I suggest that the standard of living and prestige that goes with the job is worth something. They get first-class travel on airplanes. I do not think the minister's case stands up at all.

The lot of those who fill these positions is not so onerous that we must give them the special privilege which is involved in clause 27 subclause 2 of this bill, whereby they are given the right, having been employed in the public service for ten years, to buy their public service pension at the same time they may be buying another pension in connection with another employment. I have no objection whatsoever to their being given transferability of pension rights. This is something I believe everyone should have. I would have no objection to deputy ministers having to establish only ten years service in the public service to get such transferability. I make the point that ten years in the public service on the part of a deputy minister does not have to be ten years as a deputy minister; he could have spent nine years in some other position and one year as a deputy head and would receive these advantages. So all told, I believe the government has gone a little too far in this area.

• (8:10 p.m.)

When I consider the difficulties we have in getting adjustments in pensions for ordinary Canadians under the Old Age Security Act, when I think of the battles we have on behalf of widows under veterans' legislation, when I think of the whole ambit of the problems in this area and the difficulties in getting certain adjustments to the superannuation act, I think this special privilege is a little too much. I am afraid the eloquent plea of the President of the Treasury Board has not persuaded me to alter the position I took when I spoke at the start of the discussion on subclause 2 of clause 27. When the vote on this clause is called, I think the committee should vote against it.

Mr. McCutcheon: Mr. Chairman, the previous speaker referred to many matters which I would like to raise. In relation to the matter the minister raised this afternoon, in his explanation he referred to mortality, not in the actual sense but in the sense of mortality in respect of these jobs. I ask the minister, in the hope that he will reply later, whether mortality with regard to departmental heads is any higher than it is in industry, and whether the remuneration is comparable with the risk involved.

I am sure many of these people receive twice as much as members of this chamber, and therefore my heart bleeds for them in the extremely dangerous work in which they find themselves. The minister's explanation relative to high mortality in this field did not wash so far as I am concerned. It just did not sell me. The hon. member for Malpeque pointed out that he hoped the minister would be able to convince him when he replied, and obviously the minister in his remarks attempted to do so. He may have convinced the hon. member for Malpeque but I regret to say that up until the present time he has not convinced me.

The minister took exception to my reference to this provision as a bonanza. He was probably quite in order in doing so. I should not have referred to it as a bonanza, so I withdraw that word and substitute "windfall". The minister made another comparison this afternoon which escaped me. I could not fathom his reasoning. He brought in a comparison in respect of group insurance. He pointed out that an employee in a company could, in most instances, on leaving that company pay both the company's share and his share and carry on the pension plan. This is entirely different to the situation in respect of the group insurance members of this House carry and, I might point out, which most people in this Dominion of Canada carry. Their group insurance terminates on leaving their employment and they are forced to take out an ordinary contract with an insurance company at ordinary rates. This applies to members of the House. Should they leave here, they have a conversion privilege and can buy the policy themselves.

I would hope the minister would be a little more sure of his ground when he makes comparisons such as he has in this case. Since the minister, I suspect, travels in high society he may have on his mind something about executive insurance, key-man insurance or something of this nature where there is an agreement between the employee and the employer. Such insurance, however, should not be confused in any way, shape or form with the poor man's group insurance such as members of this House carry.

There is one other matter on which I would hope the minister would be able to give an explanation. In my humble opinion we are entering into this field in a helter-skelter manner and rather blindly because this government moves in singleness of purpose. I wonder whether the government has considered the effect this will have on ex-employees. What is the status, so far as these deposits are concerned, in respect of income tax? I see in the paper that there are many plans—the government probably also offers them—such as registered retirement savings plans which have ceilings as opposed to employee deposits toward pensions. I would hope that in his

remarks the minister would give us an indication of what the situation will be in this regard.

I would ask one more question to which I am sure the minister has the answer, as I believe I have. This question was posed to me recently. It is very difficult for the rank and file public to understand financial statements of government. I hope I gave the proper answer to the question that was posed to me, and I hope the minister gives the answer I gave. I was asked whether our pension and superannuation funds are self-sufficient or whether money at any time comes from the consolidated revenue fund to, shall we say, sweeten the pot and carry us over a rough spot or something of that nature. If the minister's answer is in the affirmative, then I think this situation in respect of which we are making flesh of one and fowl of another deserves very critical examination.

That is all I have to say at this time. I look forward to the minister giving an answer to some of the questions which may appear to him to be simple but which are a little complex to me.

Mr. Bigg: Mr. Chairman, it is not always easy to get an adequate reply in Parliament to a matter as important as pensions, but I cannot pass up this opportunity of raising two or three matters which have always bothered me concerning pensions in the public service. There is an anomaly in the service which I believe bears looking into. For instance, I do not suppose it is well known to members of this House that it was possible to serve in the Royal Canadian Mounted Police before the war, break your service in order to go overseas, come back to serve in the Royal Canadian Mounted Police and then find that your pension rights were entirely different to those of others in the reverse situation. I refer to those who served in the armed forces, took a job at home during the war and then went back in the armed forces after the fighting was over. There is no uniformity.

• (8:20 p.m.)

I take the opportunity to raise this question because it is a personal matter. It has been cleaned up now. If this happened now and if we had a third world war, I understand that this type of service would be combined. But in most cases it is impossible to make these things retroactive. Fortunately, it only affects a few people. I have hesitated over the last 25 years to raise the subject because it is not liable to affect me, but this might be the last opportunity I have to raise it. Five or six members find themselves in this bind. It is an obvious anomaly that a person who is in the service of the Queen should find himself penalized. Certainly it is not done on purpose, but through neglect in procedure the fine print of the regulations causes a person to suffer a very serious financial loss.

The second point I would like to make is that sometimes members of the armed forces and of the RCMP are asked to sign a contract with the government, giving in effect a blank cheque. In regard to widows' and orphans' benefits, members of these forces were asked to sign in good faith under different sections of the act which cover their service, and in many cases they took a financial beating. One of the reasons they did so was that a smaller amount would be deducted from their pay at a time when their salaries were low, and they found it difficult to live on a small stipend; you could hardly call it a salary. They found it most difficult to get along, so they signed a paper to stop these deductions from their pay cheques. Unfortunately this affects a small but very important section of the population, widows and orphans of people who served in the RCMP and, in some cases, the armed forces. These people, not having read the small print and not realizing they were disenfranchising their widows and orphans, signed agreements which they did not understand.

As recently as this week I have written letters to some of these widows telling them that because their husbands signed away their widows rights some 25 years ago, they now have no recourse but to beg for war veterans allowance or go on welfare. I have begged the minister—I know he is very influential in the Treasury Board in all matters connected with this subject—to give this matter his attention and see whether there is not some way at this late date whereby people who have suffered in this regard can have their cases reconsidered. We find these anomalies in our pension schemes where men who have served exactly the same amount of time, and even hold the same rank, have a difference in their pensions of up to $200 or $300 a month.

While I am on this subject I would suggest that all pensioners in the public service should be entitled to a cost of living allowance. My own father, who rode across the plains on horseback in the old days when a mounted policeman received 50 cents a day, found himself at the age of 93 with a pension of $40 a month. The cost of living has increased considerably since 1893. Surely now we could very well, if we cannot make it retroactive, ensure that any pension schemes put in for the public service, for the armed forces or for the mounted police have a built-in cost of living allowance. I speak from personal experience when I say that one of the reasons we put up with disgracefully low wages in the mounted police and in the army was that we were told we would have security at the end of our service. If the cost of living is not taken into consideration, there is no security whatsoever. The attempts which have been made in recent years to increase pensions have not produced a magnificent effect.

I apologize to the House for having strayed from the wording of this bill but it is closely related to the rights of pensioners, particularly those who serve in the public service, and I wanted to bring the matter to the attention of the President of the Treasury Board.

Mr. Drury: Mr. Chairman, the hon. member for Lambton-Kent indicated that this is in the nature of a windfall for those holding the rank of deputy head or equivalent. He felt that they should be compared to people in private industry. This, of course, is partly the basis for the amendment proposed, namely, the kind of benefits which are available to those in senior executive positions in the private sector.

The hon. member cannot help but agree that what is provided here is indeed modest. We have found, in endeavours to recruit senior executives to the public service, that the kind of financial or economic advantages which are available to them are vastly more extensive and attractive in monetary terms than the government, acting on behalf of the taxpayers, can offer to attract this kind of talent to the public service. The right to participate or to continue to participate in a pension plan under arrangements which contemplate the employee or the ex-employee paying not only his share but also the employer's share of the pension plan does not seem to me to be going too far, in comparison with what is offered to senior executives in the private sector, nor does it seem to me to be in the nature of a windfall.

I think hon. members will be aware that there has been a desire by the government to achieve a greater degree of interchangeability of senior executives between the private sector and the public service than has been the case in the past. This prevents the public service from becoming too ingrown, too out of touch with what is happening outside the very large area of government activities, and at the same time it provides a bridge in the form of individual experience between the so-called private sector and the government sector. I think this is to be desired.

It is to be hoped that this kind of provision, modest as it is, will serve to enable one more effectively to carry on this kind of interchange that would be possible for public servants with ten or more years of service to move out of the public sector into the private sector. This would enable him, without too great a sacrifice, to carry on his contribution to the country. Correspondingly, individuals who have had experience and who have talents which they have been exercising in the private sector would be able to move, perhaps not on a permanent but on a less than permanent basis, into the public sector, the government service, without, under the present arrangements, the virtual certainty that unless they continue for the rest of their careers in the public service no provision will be made in terms of pension or superannuation unless we have been able to conclude an agreement with prospective future private employers.

• (8:30 p.m.)

The hon. member for Winnipeg North Centre has suggested that he would support a measure which provided that public servants who left the public service and went to work in the private sector could enjoy portability of pension. We already have agreements with a number of the provincial governments, but not with all of them yet, and with a number of corporations in the private sector, providing for the kind of portability which the hon. member has suggested and which I think is good and useful. But I am afraid it will be a long time before we are able, in a rather pedestrian fashion, to conclude agreements. The law requires that there be specific agreements—between the private pension funds and the public service superannuation operation covering transferability. I do not think it would be possible to reach this end on a general basis, given the vested rights both of those who enjoy the benefits of this superannuation account and those who are the beneficiaries of and consequently have vested rights and interests in private pension funds. These must be the subject of individual agreements at present and cannot be legislated on a wholesale basis. Therefore I hope that the committee will agree to this clause.

In response to the hon. member for Pembina, I have the greatest sympathy with the lot of those of the Royal Canadian Mounted Police who retired early a number of years ago. Under our system of contributory pensions, both the salary and the contributions which led to pensions of some 40 years or more ago were in an entirely different framework from those of today. However, we have operated these schemes on the basis that it is a contributory pension and, as a consequence of being contributory, the contributors have vested rights. These rights are precise; they are delineated, but they are also limited to the extent of the contributions made. While one could argue that, in social equity, those who in years gone by earned small salaries and consequently made relatively small contributions to pension schemes, and as a result drew relatively small pensions, are at a serious disadvantage nowadays and should be taken care of in some way, this is a problem which unfortunately is not unique with the public service but applies to a great many individuals in the private sector.

We have to try and cater to these needs as best we can through a series of, I hope, useful and progressive social measures, such as the guaranteed income supplement to the government's old age security scheme, the Canada Pension Plan and other similar measures.

The Acting Chairman (Mr. Richard): Shall subclause 2 of clause 27 carry?

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I shall delay the vote for only a minute. The President of the Treasury Board is quite right in saying that I expressed myself in favour of transferability or portability of pension rights. Mr. Chairman, just look at what is coming out of the woodwork in one short minute. Hon. members are streaming into the chamber on the government side. Usually when I get up to speak, they walk out. What a change tonight!

Mr. Boulanger: Mr. Chairman, I rise on a point of order. I wish to tell the hon. member that when I saw he was speaking, I told my colleagues one of the best speakers in the House was up on his feet, so they all ran in to listen to him.

Some hon. Members: Oh, oh!

Mr. Knowles (Winnipeg North Centre): The deputy whip on the government side is a man of great perspicacity. Mr. Chairman, I was pointing out that I favour transferability or portability of pension rights, and the President of the Treasury Board correctly quoted me in that regard. I am glad he did not try to equate portability with duplication of pension rights. That is what this subclause would give to these deputy heads in lieu of the fact that they cannot be guaranteed portability. Instead

of that, we are giving them duplication of pension rights, their public service pension and whatever pension they may earn elsewhere, and because we think that is a special privilege that should not be given to a few we oppose this provision in the bill. I expect that because they favour this special privilege, those members who came in to hear my speech will vote in favour of that provision.

The President of the Treasury Board said that portability of pension rights is something that cannot be forced and that we can achieve it only by agreement among those involved. I submit it is not beyond the wit of those who work in this field under the minister to devise amendments to the Pension Benefits Standards Act and to persuade the provinces to devise amendments to their pension benefits standards acts to provide for this kind of portability. If the government put as much vigour into that kind of effort as it does into providing these special privileges for deputy heads, we would get somewhere. Pending our getting that kind of legislation, I do not think it is a proper answer, in equity and in justice, to single out a few and say to them, "We will give you this special concession because we cannot get portability of your pension to another employer." If the government is going to give these special pension rights to a few, then I say let us give them to all public servants. I intend to vote against this provision.

Subclause 2 of clause 27 agreed to: Yeas, 42; nays, 26.

The Acting Chairman (Mr. Richard): Shall subclause (3) of clause 27 carry?

• (8:40 p.m.)

Mr. Knowles (Winnipeg North Centre): Before subclause 3 carries, Mr. Chairman, may I point out that all it does is determine that the provisions of clause 27 have no retroactivity and so apply only in the future. I should like to say that next time hon. members opposite come in out of the woodwork, as they did a few minutes ago, and we want to defeat something that is before the chamber we will vote for it, because obviously they don't know what they are voting on so they will vote against it and our end will be achieved.

Subclause 3 of clause 27 agreed to.

Clause 27 agreed to.

The Acting Chairman (Mr. Richard): This concludes consideration of part VII. The committee will now proceed to the consideration of part IV which will be found on page 5 of Bill C-207.

On clause 13—*Short title.*

The Acting Chairman (Mr. Richard): Shall clause 13 carry?

Some hon. Members: Stand.

Clause 13 stands.

On clause 14—*Establishment of ministries of state.*

Mr. Flemming: Mr. Chairman, my observations will be brief. I want to bring to the attention of the Committee my rather strong views on Bill C-207, which I have not voiced in this chamber as yet. I take great exception to the various items that the government wishes to accomplish, being mixed up in one package. We have to deal with pollution of the air and water and such things, and quite properly so, and we have to consider the finding of natural gas and oil in Alaska and the fact that it may have to be transported through our country.

This bill is put forward in the name of the Prime Minister. I should like to know why it is felt necessary to combine all these things in one bill. I submit that nothing is gained by it, Mr. Chairman. If I were a lawyer I would express great opposition to it, because as a lawyer I would much prefer separate bills for separate things. But the government has chosen to do it this way and I should like the minister to tell me why. Up to now this House has not received an explanation that would justify mixing all these things in one package.

Some hon. Members: Hear, hear!

Mr. Flemming: The reason for it seems to be a secret that the government is going to keep. Coming back to clause 14, Mr. Chairman, it seems to me that it allows the Governor in Council to continue the practice of glaring disregard of the rights of Parliament that has been so evident in the other clauses of the bill. This could be interpreted as wrapping something up in an attractive parcel because some of the contents will not stand the light of day.

Some hon. Members: Hear, hear!

Mr. Flemming: It is quite capable of that interpretation, and I ask the minister to explain it. It has never been done before. I have been in this House for 10 or 11 years, and we never had any packages like this bill until this government came in—well, not very often: perhaps occasionally, but the minister in charge explained why it had to be done. This has not been explained and I submit that all members of this House of Commons have a responsibility to weed out things that are undesirable in our legislation and to include things that are desirable. No matter how clever it may be, if there is something they want to hide—they have never said whether there is or is not—I submit that we as a Parliament should vote against any clause of a bill that we consider not to be in the public interest. It might be said that there is some good in it. I have heard that, and it is nonsense, Mr. Chairman.

Some hon. Members: Hear, hear!

Mr. Flemming: If there is something in this bill that is not desirable, it is the duty of everyone within sound of my voice to vote against it. That is their duty. They do not have to pick out something that they think is good in order to vote for it; that is nonsense. Mr. Chairman, clause 14 provides:

> Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the government of Canada warrant the establishment—

These are the words that I think are significant.

—warrant the establishment for the time being—

This suggests a very temporary period, perhaps just a few months. It does not even say they are going to have a report of one of the ministers, perhaps the President of the Treasury Board or the Minister of Consumer and Corporate Affairs. It just says "Where it appears" that a certain thing is in existence. But that is not a good reason for setting up a change, and that is what they are doing. When they change the machinery of government they are interfering with the Constitution of the country, all wrapped up with a lot of other stuff.

Some hon. Members: Hear, hear!

Mr. Basford: Nonsense.

Mr. Flemming: I am going to go a little further.

Mr. Côté (Longueuil): Not too far.

Mr. Flemming: The clause continues:

—for the time being of a special portion of the public service of Canada presided over by a minister charged with responsibility for the formulation and development of such policies,—

After the word "policies" there is a comma so I submit that when they say that, they are going to set up these five departments without any reference to this Parliament. That is what it says, Mr. Minister. Read what it says in the clause and never mind shaking your head. That is the written word. They are going to be responsible for the formulation of policies. Since when was a minister responsible for formulating policies? That is the function of the government. That is what they should practise. They should not allow a minister to be appointed who will carry out and determine policies. The trouble is that nobody has bothered reading what the bill says. That is the same kind of careless abandon as is evident in most of the legislation. They put these things on the statute books and force them through this House because of their majority, regardless of the public interest. That is what I charge them with.

• (8:50 p.m.)

Some hon. Members: Hear, hear!

An hon. Member: The same old bunch.

Mr. Flemming: The clause ends with the words:

—the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

What do we find here, Mr. Chairman? Apparently the government is to set up a new department without referring to Parliament. They can set it up by order in council and we will have nothing to say about it. Our opinion is not even asked for. That is what the government is seeking in this bill, and that should not be allowed.

Some hon. Members: Hear, hear!

Mr. Flemming: There is nothing new in mixing up dissimilar matters in one bill. This government has become famous for that type of legislation. One might ask, "What is new in what has happened?". I am the first to acknowledge that the part dealing with the protection of the environment and the protection of water is a new departure. Those parts of the bill which try to improve and protect the environment are new. As a new provision, it ought to come before the House.

An hon. Member: It is there.

Mr. Flemming: My friends nod their heads. The point is, it should be here by itself; it should not be wrapped up with something else. That is what I object to, and I would object even more if I were a lawyer. The bill deals with pollution of air and pollution of water. I congratulate the new minister who is to take charge of these responsibilities. I have great respect for him.

Mr. Côté (Longueuil): He is a pretty good minister.

Mr. Flemming: We can no longer ignore this problem. But when setting up this department, why do we wrap it up with something else? Why could it not be done without wrapping it up with something else? There is nothing wrong with the provisions dealing with energy, oil and gas, but why wrap them up with something else? There are seven or eight provisions in the bill to which I object. The government wants to create new departments and it is giving people authority to spend money.

Let me say something about the spending of money. The government wishes to enlarge an already large public service. In the main, our public servants are capable people. But we are not adding to them; we are merely proliferating the branches of the public service. In my opinion, once a branch or division is established in any department—I do not care which one it is—it is very difficult to do away with the people who have performed that function once they have completed it. Once they have performed a function for a few months and then finished a job, it is very difficult to do away with them. I say that because probably all the people concerned have relatives among Liberal members and they will raise Cain if anything is done. I say to the minister that that can happen.

Mr. Côté (Longueuil): Oh, oh!

An hon. Member: Say it out loud.

Mr. Flemming: Clause 14 contains the words "for the time being". Surely that means a brief period of time. If hon. members opposite were intelligent enough to ask questions instead of snorting, they might question this provision. I know something about the pressures in setting up new divisions or departments. I hope that hon. members are intelligent enough to listen to my proposals. I think that these matters should be handled by employing consulting services. The ministers concerned should employ consultants who are experts in a certain field. They could be asked to perform certain services and be paid for those services. Then when they have finished, you are through and they are through and you will not have built up and proliferated a huge bureaucracy which is already larger than we can stand. That, in my opinion,

is how these things should be done, but it never seems to occur to the government.

An hon. Member: They want to appoint another task force.

Mr. Flemming: No task force would be involved. Until this government came to power, we never heard about task forces. The first thing it did on coming to power was to appoint task forces.

An hon. Member: Try again.

Mr. McGrath: They even appointed a task force on seals.

Mr. Flemming: I think that consulting services would perform a good job, and there would be no need for all this proliferation. Why, may I ask, do they want to set up five more departments by order in council, when they already have ministers without portfolio who cannot sleep at night? What is wrong with them?

Some hon. Members: Hear, hear!

Mr. McGrath: Let us have more task forces!

Mr. Flemming: Mr. Chairman, I object to legislation of this nature for setting up more departments. I have already said that in my opinion anything that interferes with, adds to or takes away from the machinery of government is an attack on the Constitution of the country. It should never be done unless passed by Parliament. That is why I say that this bill should never be passed. I realize that the government probably will support its passage; yet some day—I hope in the not too distant future—they will answer to the people of Canada for it, because it is wrong. It is wrong to set up all these departments and to do all these things in violation of the Constitution of the country. It is wrong to add to responsibilities set out in the Constitution without first going through Parliament.

Mr. Côté (Longueuil): That is where the bill is now, before Parliament.

Mr. Flemming: May I bring your attention to another matter, Mr. Chairman. I do not think the government should bring in provisions of this kind unless the ministers who are to have responsibility first give Parliament some idea of what they will cost. But that never seems to enter the collective minds of this government. The poor old taxpayer, which is you, me, and everybody else in this country, will pay. The government is taking money out of our pay envelopes every month. The taxpayer has been forgotten. Why does the government not say, "This will cost $1 million a year", or something like that? They never give it a thought. They do not think about the taxpayer. They only think about giving more jobs to more bureaucrats and about keeping themselves in power indefinitely.

Some hon. Members: Oh, oh!

An hon. Member: Please, no horses on the payroll.

[Mr. Flemming.]

Mr. Flemming: I said I would bring certain things to the attention of the committee. The government does not say how much anything will cost. No minister bringing in any proposal, with the exception of the Minister of Finance, gives the House any idea, as a rule, what the proposal will cost. That never enters the government's mind. How much is taken from people's pay cheques means little to this government.

I submit, Mr. Chairman, that these increasing costs are of concern to people who are suffering in this regard. Not only is there inflation, not only is the cost of living increasing, but the amount of money left in the pay packets with which to buy the necessities of life is steadily decreasing.

• (9:00 p.m.)

The government should be setting an example in this regard, but it is not. It is time they woke up. It is an increasing cause of concern to wage earners to find their take-home pay becoming less and less because more taxes are deducted at source. I do not believe everybody prefers that the government should spend their money for them, anyway. I happen to belong to a group of people who feel that as individuals we should have some responsibility to look after ourselves, and that the government should not be taxing everything and giving us little benefits of one kind or another as we go along.

I want to refer to some of the details of clause 14. The government has there the authority, the means to establish, to continue, to change, to initiate and to terminate. So they can start in March and terminate in May if they want to. There is no one to consult, no one to prevent them. This is the kind of power for which they are asking. It should not be sought, and it is wrong. I am surprised that the government should bring down a clause of this kind, although I ought not to be. It gives the administration and the government tremendous power. They could alter the lives of many people if they were so inclined. The representatives of the public, that is us—we are the only voice the people have on these issues, the only ones who can stand up and say anything on their behalf, the only chance they have to be heard—are being deprived of their right to intervene. The government intends to take this protection away. The Prime Minister intends to establish these new departments, and that is only a sample of what they are doing day by day.

The Chairman: Order. I regret very much to interrupt the hon. member, but I do so to advise him and the committee that his time has expired.

Some hon. Members: Carry on.

An hon. Member: He is the best of the bunch over there.

Mr. Basford: He is not making any sense, so he might as well continue.

Mr. Flemming: Mr. Chairman, I could be blamed for many things but I ought not to be blamed for the minis-

ter's lack of comprehension. If he is not able to understand anything, I cannot be blamed for that.

Some hon. Members: Hear, hear!

Mr. Flemming: The bill provides for the appointment of a secretary. This is probably a glorified name for deputy minister. I find no fault with that particularly, but what do they propose to do with whoever is appointed when they abandon a particular department created under these provisions? After all, it is suggested here that the administration can establish it and terminate its activities at will. What will be done about the staff? Hon. gentlemen on the treasury benches opposite care nothing about that because they are not concerned with the interests of the people. The emphasis is on power. Power corrupts, as they say, and absolute power corrupts absolutely. They are certainly in a position where they are fair targets for the sort of criticism I am making.

Mr. Boulanger: Why didn't you quit while you were ahead?

Mr. Flemming: Why don't you get up and make a speech some time?

Mr. Boulanger: As soon as you are finished.

Mr. Flemming: Moreover, no one on the government side has yet explained the need for these powers. Not one of them has advanced any reason for doing this. In fact, there is no reason. Lots of machinery is available without it, and hon. members over there know it as well as I do. When this bill becomes law there will be no discussion about the formation of new ministries. A simple proclamation will be all that is necessary. You boys on the back benches over there, and us, too, will have nothing whatever to say about it. The goverment will just do it. But provision has been made for a lot of jobs, so maybe some of you will be getting some of the crumbs which fall from the table. If you are satisfied with crumbs, that is all right. I am not satisfied with the legislation, It is not good enough, because the elected representatives of the people, that is us, should be consulted before anything as far-reaching as this in the machinery of government is undertaken by the administration.

Some hon. Members: Hear, hear!

Mr. Côté (Longueuil): Good old John.

Mr. Bell: You haven't got your raise yet.

Mr. Côté (Longueuil): It is coming.

Mr. Bell: It is not through yet.

Mr. Rowland: It being shortly after the supper hour, Mr. Chairman, I very much doubt that I can reproduce the energy or the enthusiasm of the hon. gentleman who has just spoken. Nevertheless, I wish to bring it to the attention of the committee that part IV gives birth to an entirely new breed of cat in the form of ministers and ministries of state. A minister of state is not responsible, like most other cabinet ministers, for a "line" department but, rather, for a more narrowly defined area which, it would appear, will be largely associated with policy development or problem solving. A minister of state will have defined areas of responsibility, defined powers, duties and functions. These definitions will be contained in the proclamation establishing a ministry of state. In this respect a minister of state will be unlike a Minister without Portfolio who need have no specific duties assigned to him. In short, the proposal to establish ministries of state represents an innovation, a departure from established practice of an important kind.

I certainly have no objection in principle to departing from well-established practices of this House. Indeed, there are possibly many such departures which I would greet with exceeding great joy, even dancing in the streets. None the less, I think it only wise that such departures be agreed to only after the fullest study and the most complete explanation of the reasons which compel them. It is on this ground that I deplore the absence of the Prime Minister from the committee while we are discussing the portion of the bill before us, the portion of the bill with which he is most directly concerned, the portion of the bill which, if approved, will give him power to appoint at his own discretion up to five additional new ministers at the head of five new semi-departments and assign to each of them duties—an assignment which might well involve the major reorganization of existing government departments.

I repeat, the Prime Minister can do all this at his own discretion. I do not think that in these circumstances it is presumptuous of this House to expect the right hon. gentleman to be here to answer our questions. At least he should be prepared to tell us why he believes such a move to be necessary. At least he should be here to explain the use he intends to make of his new powers. At least he should be here to tell us what ministries of state he would anticipate creating, the sort of powers which would be assigned to them and the anticipated normal duration of such ministries.

Information of this kind is not available through a reading of the bill. The President of the Treasury Board who is here to answer for the Prime Minister cannot provide us with much of this necessary information because, in fact, the creation of ministries of state and ministers of state is, under this legislation, the prerogative of the Prime Minister and I very much doubt that the President of the Treasury Board includes among his numerous attainments the ability to read minds.

Mr. Drury: On a point of order, Mr. Chairman, I would draw to the attention of the hon. member, who seems to be in ignorance, that these appointments are to be made by order in council.

Mr. Rowland: I am quite aware that they are made by Governor in Council.

Mr. Boulanger: Why didn't you say so, then?

Mr. Rowland: Saying that the appointments are made by Governor in Council is tantamount to saying that they are made by the cabinet, which in the case of the

appointment of a minister means by a decision of the Prime Minister. This being the case, the inability of the minister to read minds, specifically that of the Prime Minister, severely compromises his ability to satisfy the House as to the utility and acceptability of the concept of ministries and ministers of state. But I suppose we have no alternative but to press on as though he were not so handicapped. I am profoundly disquieted by the implications of this section of the bill. I consider the reasons put forward by the minister on second reading to justify the granting of such powers to the Prime Minister to be so obviously and transparently obfuscations or, if he prefers, maladroit rationalizations, that I cannot accept them.

• (9:10 p.m.)

I am not about to join in the cries that the ministry of state is simply another way to provide jobs for the boys. It has that potential, but whether it will be employed to that effect we can only wait and see. I am willing to have the Canadian people pass judgment on that aspect of the bill. Nor am I unwilling to admit that some ministers have too much to do to do everything that they have to do properly. In fact, that might help explain some of the mistakes that this government has made. I am quite prepared to admit that ministers of state might offer some relief in this regard.

I also wish to be very quick to admit that the traditional structuring of the public service in a number of "line" departments each operating, to all intents and purposes, independently of the other is inadequate to the task of providing appropriate and effective solutions to modern problems. Changes and experimentation are warranted, and perhaps the idea of a ministry of state provides part of the answer.

I expect that these are the kind of beneficial effects to which the minister was referring when he argued on second reading that the ministry of state would make the government more efficient through providing it with an enhanced capacity for flexible response. What I should like to know is how an enhanced measure of parliamentary control over the establishment of ministries of state would militate against the beneficial effects I have mentioned and for which the minister has argued. Why must the creation of ministries of state be by proclamation? Why not by act of Parliament? Why are they not to be created by means of an act of Parliament, thereby giving members some say about the suitability of proposed arrangements for meeting the assigned tasks, giving members some say about the matters in relation to which the minister for the ministry is to formulate and develop policies, and to give members some say about the powers, duties and functions to be assigned to the minister and the ministries of state.

Why must every response of this government to a given problem involve the strengthening of the cabinet, and more particularly the Prime Minister's office, rather than Parliament? The only plausible explanation I can find for this phenomenon is that the Prime Minister himself is unable to understand the potential of this institution of Parliament. Because the government is unwilling to bring parliament into the process of creating ministries of state, I feel that the potential advantages of the idea which I have cited are far outweighed by the disadvantages that I am about to cite.

The minister has argued that the arrangement will give the government more flexibility. It is my contention that because Parliament will not be consulted, it provides the government with far too much flexibility. Under this legislation the Prime Minister will have five new departments to create as he sees fit, and I say five new departments advisedly. Under the legislation the Prime Minister can appoint a minister of state, make him head of a department, provide him with a parliamentary secretary and all the public servants necessary. These ministers of state will have the same rights and privileges as those ministers specifically mentioned in the Salaries Act. They will be members of the cabinet.

I submit that the device of the ministry of state, as defined in this bill, presents the Prime Minister with the means to create and dissolve departments at will without coming to Parliament for sanction or for comment. This is certainly the case if one considers, in conjunction with the powers given the Prime Minister in this bill, his powers under the Public Service Rearrangement and Transfer of Duties Act. That is not efficiency; that is the machine gone mad. Surely efficiency in a democracy means more than simply doing a job. Surely it implies doing the job that the people want done, and doing it with the full knowledge and understanding of the people. This, in turn, implies that the government should, wherever possible, act through Parliament rather than outside it. This section of the bill could have been drafted to ensure that Parliament would be consulted. It has not been so drafted, and accordingly I reject it.

The minister's second major argument in favour of this section of the bill during second reading was that it would provide increased ministerial responsibility to Parliament through extending the interface—whatever that means—between the ministry and the chamber. He argued that the device of ministries of state would allow the roles of ministers to be more precisely defined and hence their accountability would be more easily determined. The equation is: more ministers, therefore more responsibility. If that is a logical argument and a valid one, then why stop at five? Why not 15 or 25? Besides, we do not know whether they will be on the roster for the question period.

In rebuttal of the minister's argument—that is, more ministers means more accountability—some eminent authorities on the government of Canada have already suggested that having 40 or 50 members of the governing party as part of or close to the ministry would severely compromise any remaining degree of independence that this chamber possesses. I might add to this argument that the kind of independence of decision that this bill gives the Prime Minister runs directly counter to the procedures established of recent date by the device of government organization bills which have provided Parliament with some say about the way in which departments are established, their role, their function and their powers. A good example of this is the ministry of the environment that this bill will set up. The bill may well be amended

in some salient particulars as a result of having been brought before this House. Moreover, there are all the implications arising from the manner in which the ministries and ministers of state will be created, which I have already drawn to the attention of this House, and which suggest that the accountability argument is mere window-dressing.

Let me go further. If the government really wanted to increase the accountability of the cabinet to Parliament, would it in fact begin by expanding the number of ministers? Its priorities are all backwards. Why not begin, rather, with providing members of this chamber with the facilities necessary to make sure that the ministry is accountable? Why not begin by providing research assistance for members of this chamber as well as adequate office staff, in an attempt to reduce the information gap existing between the treasury benches and the members of this House?

Why not begin by strengthening the committees system of this House? Why not provide adequate staff for committees? Why not provide committees with the power to decide what matters are to be brought before them, rather than leaving that decision to the ministry? Why not insist that committees prepare an epitome of the proposals to be presented to the House to assist it in holding the ministry accountable? I suggest this is the logical way to start if you are really concerned about accountability of the ministry to the House of Commons. You do it by strengthening the individual member of the House and by so equipping him that he can do a job of criticizing the ministries. It had been my intention originally, as a result of this kind of consideration, to offer amendments to each clause in this section, substituting references to "Acts of Parliament" for references to "proclamations". However, on second thought I felt it would be best to defeat each clause in this section of the bill and thereby force the government, if it still sees merit in the idea of the minister of state—which idea I have not discounted—to bring in a mini organization bill each time it wishes to create a ministry of state, thus ensuring the consultation of Parliament.

If I can use as an example what has been said to be a possible department stemming from this bill, namely, a ministry of state for housing, if this bill goes through in its present form the role and function of a ministry of state for housing will be that which is determined by the cabinet. If, on the other hand, the post had to be created by an act of Parliament, the country would at least know what the rest of us in this House thought about it and would be able to weigh the cabinet's conception of that office against that espoused by other members of the House. Surely that is the function of this place. Moreover, there would be a chance at that time to amend the legislation. This is likely to be done with this government organization bill in regard to the ministry of the environment. It will be an important amendment.

• (9:20 p.m.)

I do not see why the government wants to take away from this chamber or, to be more accurate in an academic sense, why it is not willing to give that opportunity to this chamber. It has always been the prerogative of the Governor in Council to appoint ministers. Forcing the government to bring each idea for a ministry of state before this House in order for the House to consider it would mean, in addition, that each piece of such legislation would be subject to sober second thought. It would not be simple proclamation by the cabinet caught up with a problem of the moment. Sober thought could take place in this chamber. This is not possible under the present legislation. For this and the other reasons I have cited, I urge the defeat of clause 14 and each clause thereafter.

Mrs. MacInnis: Mr. Chairman, I want to comment briefly on part IV of the bill. I share the disquietude voiced by my colleague, the hon. member for Selkirk. Looking around this chamber and seeing the velocity with which members opposite can emerge from the woodwork, I feel sure that by a head count we are going to be stuck with this part no matter whether we want it. As we are going to be stuck with this part, I am prepared to go on from that point. I realize that too much power is going to be given to the government by this method of creating ministries. It is inevitable that we are going to have this method. I want to know what ministers of state are likely to be created. I would like to see one or two created who will do something useful. I plead tonight that one of these ministers of state will be appointed to deal only with the question of implementing the recommendations of the report of the Royal Commission on the Status of Women.

Some hon. Members: Hear, hear!

Mr. Benjamin: Down girls!

Mrs. MacInnis: Down with the applause until we get an indication that we are going to get more than kite-flying out of this. There has been too much kite-flying in the matter of giving effect to the recommendations in the report on the status of women. Ever since the report was tabled we have been tantalized by half promises and suggestions from the government. As a matter of fact, on several occasions the minister in charge of housing has held forth the idea that perhaps if we let this bill through, a minister of state will be appointed to look after the implementation of the recommendations on the Royal Commission on the Status of Women. In reply to my question on the "late show" the other evening, the Parliamentary Secretary to the Prime Minister briefly quoted with approval the words of the minister in charge of housing.

During the debate on the status of women we were told that if women were good and bided their time, a minister would be appointed who would be in charge of the implementation of the recommendations in the report on the status of women. I do not think that is good government. One month ago the Prime Minister made a speech which raised the expectations in women's organizations and in the minds and hearts of thousands of women in this country about the priorities of government with regard to these recommendations. Very little has

been done since that time. Members opposite smile pleasantly. They feel that women are such suckers that you just have to promise them something and look as though you have some pleasant surprise waiting for them, and they will do anything for you. They think women will eat out of their hands. Women are getting tired of eating out of the hands of the government. Their frame of mind is to bite the hand that is extended to them unless there is something in it besides empty promises.

Women from across the country have for weeks been flooding the offices of members of Parliament with the request that a minister be designated and a ministry created to put these recommendations into effect. They are tired of being told that women's affairs are a high priority, when nothing is being done about them. In his speech of one month ago the Prime Minister said:

> Attitude has been the contributor of most of the obstacles which now confront women in Canada. But more than a change of attitude is required in order to overcome discrimination and to provide opportunity. Some laws will have to be changed to eliminate the anomalies and inconsistencies which have crept into our common law system from days when women were regarded as legal chattels; regarded, virtually, as the property of their husbands.

That is as far as he goes. The Prime Minister then indicated that he is appointing people to work on a departmental committee, and so on. We have heard nothing whatsoever about a minister being put in charge of this important matter. I have seen this happen before. For many years the consumers of this country kept after the government to create a ministry of consumer affairs. For years all they were given were pleasant smiles and expectations that such a ministry would be created. A few years ago there was a boycott by women consumers from coast to coast. The women said that the time had come for a minister and a ministry of consumer affairs to be created. If something is not done by governments, it will not be very long before these women will have a wide-scale repeat of that boycott to demand the implementation of these recommendations.

It is all very well to applaud cheerfully whenever this matter is mentioned. The women are sick and tired of tolerant smiles and a superior look on the faces of government members. The time has come for a minister to be appointed so that these recommendations will be put into law. These laws should be within the federal competence. Something should also be done at the provincial level, and the two levels of government must work together. The women do not intend to play around with this any more. The sooner the government recognizes this, the better it will be. After all, the government only needs to take a head count. Half of the voters of this country are women. They are going to make their will felt in no uncertain manner. They do not want to see all the work that has been done by the royal commission go down the drain or put into some pigeon-hole. The government must be very earnest about designating a ministry for the purpose of looking after the implementation of the recommendations of the report on the status of women. I urge that this be done without further delay.

I am very sorry that the Prime Minister could not find time to be here for this important debate tonight. I think he should spare a little more time from his private life, even at the present time, to be in the House to deal with these matters which are of importance to the people of this country. The matter being debated tonight is an important one. I ask the Acting Prime Minister to assure the House that a minister of state will devote his time to the implementation of the recommendations of the report on the status of women. As a matter of fact, I throw out a challenge to the minister because women in this country would be greatly reassured if they had some hard news from here instead of more bouquets given from empty hands.

• (9:30 p.m.)

Mr. Bigg: Mr. Chairman, we have before us another omnibus bill. I shall not spend a great deal of time in criticism of it because I hope to make a positive contribution. I am against a great proliferation in government. I think we have drifted too far into a situation where the government runs all our affairs. However, if the government is to run our affairs, I say for goodness sake let us have a little order in it so that we know where we are going.

If there are to be another five ministers and a corresponding number of parliamentary secretaries, they must give us a better performance than has been the case in respect of the present ministers. We want ministers who will be responsible to Parliament and who will answer our questions. We want ministers who on proper occasions will stand up to a government which is not always sensitive to their ideas. Although the wording of this bill might suggest that more ministers would mean more creative ideas, I suggest that unless there is a great change in attitude we will merely have more servants and the same limited number of ideas coming from a very limited source.

I should like to know why there are more and more regional desks. Regional desks are being set up all over the country so that members of Parliament are no longer consulted. It is no secret that when a public building is to be built or when a post office is about to be opened, on a great many occasions the member of Parliament who should be the first to know about it is the last to know about it. When a new building is to be opened, why should the member of Parliament concerned be asked to remain in the back row during the ceremony? Surely this should not be necessary.

If it is intended that these changes are to bring about participatory government, surely the elected representative of the people should be given a great deal more prominence than he is given at the present time. I believe we have earned it. In most cases we have gone through a proper democratic process in order to get here. There are many people in my district and in the surrounding district who want to know why in this Parliament of which their member is a part he is so discreetly ignored on many occasions. This has distressed me over a period of years and I want to bring it to the attention of the government.

I expect gentlemen opposite to grasp the power they still have, to exert the pressure they could exert and

make sure that their own ideas are brought forward. If they would do so, they would find it unnecessary to always blame a sleepy opposition or an ineffective leader of the opposition, and so on, as we have heard ad nauseum. I say to them that if they would come forward with progressive ideas, they would find they would get a great deal more support from this side of the House than from their own cabinet.

As the last speaker said, I have no doubt that with their large majority they could pass any number of statutes they desire. I want them to think over very carefully what it is they intend to put through. They must remember that if the number of the ministers and parliamentary secretaries is to be increased, these ministers and parliamentary secretaries should have a job to do and should be prepared to do it. These ministers of state should not be like sheep. I say to members opposite that they are certainly more in the public eye than members on this side and the things they say are quoted more often. I remind them, also, that the leadership they could give is eagerly anticipated all across this country.

Perhaps members of the public are not as frank with members opposite as they are with me. Believe me, I take criticism when it should be directed to the government and I take criticism which should be directed to Parliament. Sometimes we are not in a position to defend ourselves, because we are not given the answers we should be given to the questions we ask. I suggest that members have the opportunity to make their pressure felt by seeing that the questions asked are given the attention they deserve and are properly answered. We still have the power in this House to do anything we wish. We can defeat any government. We can defeat any piece of legislation. The people of Canada expect us to do this. I say, Mr. Chairman, do not believe the people of Canada are fed up with democracy, because they are not. They may be temporarily fed up with us and our performance here. If we listen carefully we will hear a continual murmur which would indicate they feel we do not stand up in our places and do what we should, because the silence sometimes is eloquent. They are waiting to hear that we are honestly striving to improve their lives.

It is passing strange, when our young people are unemployed, to hear statements from members of the government, unless they are misquoted, to the effect that Canada can stand "X" percentage of unemployment. I will not quibble about whether it might be 6 per cent, 8 per cent or 10 per cent. There is no parent in Canada who wants any percentage of unemployment because, unfortunately, the statistic of one might be their favourite son or daughter and they expect us to do all we can to find full employment for these people. If the proliferation of ministers would produce these results, I would be happy. If the proliferation of ministers and parliamentary secretaries would mean only that another five or six Liberals are promoted and are willing to adopt a sheeplike attitude and do exactly what they are told without thinking, then it is my duty to stand up here and say so. This is the way it begins to look to me. If we are to produce more ministries of state, there certainly are jobs which they could do.

I would suggest perhaps one ministry of state might be a ministry of youth. This is not a new idea for me. Some ten years ago I put forward this idea in a complete brief to our government of the day, and perhaps now I can say "I told you so". Ten years later I am sure history has given truth to my position in this regard. It is obvious that we need a ministry of youth, or at least a department of youth to co-ordinate the efforts of the federal government to see that our young people are given every opportunity to use their talents, loyalty, energy and leadership to the fullest extent.

• (9:40 p.m.)

We have made one or two abortive attempts at helping our youth. The efforts we made in the past were half-hearted. We did not give the responsibility of controlling the CYC to a responsible minister. There was a lot of wishful thinking. I suggest to you, Mr. Chairman, and through you to this government that they should not give this job to a junior minister. Our young people are our most important natural resource, and therefore the job should be that for our most able, capable, energetic and responsible minister.

Let us not do what we have done very often in past years with the Department of Indian Affairs—put it at the bottom of the list. This department is responsible for a very important section of our population, our first senior citizens, the hosts of this continent, people who on many occasions have given us an example in racial tolerance which we could well practise in less obvious quarters in our country. The Indian and Eskimo peoples have always accepted us as full brothers, and I am ashamed to say that we have not always accepted them.

But we have no excuse whatsoever with our young people. Our responsibility to them is of prime importance. So I think we need a full-fledged department at least, if not a full-fledged ministry, to co-ordinate all the efforts of the federal government on behalf of our young people. These young people have the energy to go and make a proper survey of our northern country in their time off from university, using their special talents in engineering and mathematics, their interest in geology, mineralogy and oil development. The young people are willing to go where they are needed, and they expect more leadership from us.

The physical development of our young people has been sadly neglected. During the last war some 70 per cent of our young people were turned down for the armed forces on physical grounds. In World War I only 20 per cent were rejected on physical grounds. So we lost 50 per cent of the health of our young people in two generations. I suggest that one of the first things that a minister of youth should do is to set up a proper program starting with the young people and, I hope, involving most of us in the end.

There should be a complete new look at the question of physical fitness. From there it is not far to go to consider our extraordinary lack of gold medals in the Olympic games. We are not going to get gold medals in the Olympic games so long as we neglect the health and

physical fitness of our young people. So any ministry set up which would be responsible for our youth should put physical fitness high on the list. This year a great many of our young people will be coming out of universities and secondary schools with no prospect of employment. So a ministry of youth should set up a system to ensure that every young person who comes out of school, either permanently or merely for the summer, has available to him a job out in the fresh air which would combine self-improvement, economic improvement and resource improvement for our whole country.

Perhaps, to inject a little humour because I may be getting a little too intense, may I say that I notice that in part III of this bill we are to have astronomical observatories. I hope that they will not merely be set up to keep track of the unemployment figures. To get back to youth management, may I point out that our young people today are extremely interested in social services. A great many of them come from affluent homes and they are not solely interested in making money. Many of them want to give of their time and do the sort of thing that President Kennedy spoke about. They want to go out to the underdeveloped countries of the world and devote their time and energy, gratis in many cases.

What machinery have we set up to enable our youth to do this? We are doing it in dribs and drabs. We expect the churches to do it all. I think that governments in almost any other country in the world are involved in such programs, but we in Canada have little to match it. I suggest that a minister of youth might well take the initiative of the United Nations. I think that our generation has failed miserably to establish peace on earth through the United Nations. I venture to say that our young people, if they were involved in a kind of junior United Nations, might travel around the world in the spirit of brotherhood which they often speak about. They want a vehicle for it. Let us give it to them. Let us give them leadership. As John McCrae said in his "Flanders Field", maybe we will have to throw them the torch. We have failed to hold it very high, but among the young people today there are thousands who want to take up that torch which we have failed so miserably to carry. But this takes organization and encouragement.

If we are to enlarge our government by five ministries, certainly a ministry of youth would be one of the most important ways in which we could show faith in our young people, in their physical fitness, in their mental training and in those spiritual qualities which are probably more important than the first two. We should show them that Canada is a country with no territorial ambitions, with little bad history to live down, a country which a generation ago was held in the very highest esteem by the smaller countries.

We could be a bridge not only between Britain and the United States, as we are supposed to have been historically, but we could go out to all those countries which look to us for leadership. We are always talking about dynamic leadership, but we have to take positive steps so that our young people may regain confidence in us and see that we really mean what we say and that we put first things first. When we are sorting out our 35 ministries, we should show our faith in our young people by putting their own ministry, new though it may be, in its proper place, at the top.

I hope that in setting up these new ministries we will try to be fair. If we are to have a big government, let us at least try to make it as fair as we can. Some good may come out of establishing more ministries, and if we are going to look in the ranks for those who might fill them best, it might be a good idea to appoint many parliamentary secretaries. But I am not sure how much more money they should get. The idea of having professional cabinet men is quite new in the democratic process. When I first came here 13 years ago, I thought I would be well paid just by having the honour of being asked to accept more responsibility. I never thought that my pay should be doubled in order to serve my country in a better capacity. In fact, I have often wondered whether it would not be better if we reversed the process and provided that when a member took cabinet rank he should work for less money.

• (9:50 p.m.)

The Chairman: Order. I must interrupt the hon. member to advise him that his time has expired.

Some hon. Members: Continue.

The Chairman: The hon. member may continue if there is unanimous consent.

Some hon. Members: Agreed.

Mr. Bigg: Mr. Chairman, I have reached the second last item that I wish to cover. I was speaking about salaries. I sincerely believe there is a danger that if the salaries of cabinet ministers are set at double those of backbenchers, there may well be an unseemly scramble for the higher posts. A man would think twice about accepting a cabinet post if he had to accept a monetary loss when doing so. The Liberal party is well sprinkled with men of affluence. A great many of them take an independent view on the question of paying members of Parliament any money. I would take the same view if I had several millions of dollars in my account in any bank in Canada. Several hon. members have often spoken about the privilege of serving in this chamber. From their point of view, that is very noble, but there is something to be said for the point of view that if we want high-class help we should be willing to pay for it. But I do not take away from the idea that it might be good to have a pool of qualified men, well screened for their talent. In my view, one talent that a good minister should have is the courage to fight the government on a question of principle. If you pay a minister twice as much not to fight on principle, this will perpetuate a very mediocre type of leadership.

Part IX of the bill alarms me, Mr. Chairman. Unless I misunderstand it, this part provides the Governor in Council with the right to move estimates from one department to another and thus evade responsibility to

this House. I hope I am wrong, but my interpretation of it is that the ministry of the environment could become a catch-all. When the government wanted to do something, it would be able to transfer funds from any other department to that ministry. We wasted one whole Easter recess discussing that very question. At this point all I can say is that I hope I am wrong in my interpretation.

The Chairman: The hon. member for South Western Nova.

Mr. Comeau: Thank you, Mr. Chairman—

[*Translation*]

Mr. Boulanger: In French!

Mr. Comeau: I find it interesting, Mr. Chairman, that the "whippet" of the Liberal party seats himself very close to the President of the Treasury Board (Mr. Drury). He may be trying to get one of the new positions created by the bill under study.

[*English*]

As far as I can see, this is the most devious piece of legislation the government has ever presented. Its main aim is to increase the number of ministers. Mr. Chairman, I see that the former parliamentary secretary to the minister of fisheries is talking to the President of the Treasury Board. Maybe he, too, would like one of these new positions. It is interesting to see two ministers in the chamber and to see so many hon. members whom we have not seen for quite a while. I do not know what they are looking for, but it is interesting to see them.

Some hon. Members: Oh, oh!

Mr. Comeau: It is interesting to hear them comment from their seats. Those members on the Liberal backbenches come in here just to vote. If they really want to make an impression and become ministers of state, they should speak up once in a while. We would then know if they are qualified for such positions. But I know the hon. member for St. Boniface will not be among that number; he does not speak often enough.

Mr. Guay (St. Boniface): Mr. Chairman, I would advise the hon. member that if and when I get up, I will make a lot of sense and not indulge just in nonsensical talk.

Mr. McGrath: Explain.

Mr. Comeau: Yes, Mr. Chairman, the hon. member should explain because that remark did not make any sense. What we need is not an increase in the number of ministers but an increase in the number of responsible ministers. We do not need this provision to create new salaries, not knowing what the new departments will be. Once these ministries of state are established, we will have no way of discussing particular legislation dealing with the establishment of particular departments. We need ministers who will be responsible to Parliament. I call it ten o'clock, Mr. Chairman.

Progress reported.

Proceedings on Adjournment Motion

PROCEEDINGS ON ADJOURNMENT MOTION

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

FISHERIES—SUGGESTED BANNING OF FUTURE SEAL HUNTS

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, when I asked the Minister of Fisheries and Forestry (Mr. Davis) the other day if he would consider banning all future slaughter of seals, he sat silent and shrugged. I couldn't believe that he had no answer. I was right. He preferred to give it yesterday in Vancouver. But it is still far from clear what the answer means. The only clear thing seems to be that the minister has as yet no clear policy on this matter. He announced the appointment of a six-man task force to study all aspects of the annual seat hunt in the northwest Atlantic and Arctic oceans. He says the kill-quota of seals will be drastically reduced next year, suggesting that it might be 125,000 compared with this year's 245,000. But in the next breath he says that no figure can be set until the task force makes its recommendations. Then he adds that to help reduce the figure it might be necessary to launch a campaign to "have the ladies stop buying" seal coats, but he gives no indication of any government intention to launch such a campaign.

• (10:00 p.m.)

Obviously the minister needs help. Obviously he is being pushed and pulled in all directions by the conservationists who do not want to see yet another wildlife species wiped out by the politicians of the Atlantic region who are concerned about low-income seal hunters, by animal lovers all across Canada, by profit-making interests who want sealskins for luxury coats and, above all, by world opinion which is mounting fast and which is giving Canada a black eye as a nation of people engaged in the brutal extermination of an inoffensive animal species. The minister is well aware of this unenviable international reputation. He said recently:

> There has been a tremendous outburst of concern. The Brussels embassy has received protesting delegations, one of which delivered a petition containing 400,000 signatures of school children ... In France a protest delegation marched into the chancery ... There was picketing in New York ... Our embassy in Washington has been getting letters at the rate of 600 a day ... I think it would take quite a few million dollars to offset the adverse publicity.

The minister could well have added that for years the members of this House have been flooded with letters, postcards, petitions, etc., from people who want to put an end to the senseless and needless cruelty of the seal hunt. Further pressure has been added by the introduction the other day into the United States Congress of a bill to ban the killing of sea mammals and to ban the importation of sealskins into the United States. The sponsor of the bill is Senator Fred Harris of Oklahoma, a Democrat and a nominee for the vice-presidency.

He indicated that in his opinion the Canadian sealing industry is a dying one because seals are being killed off

at such a high rate. His bill would help reduce the dollar incentive for their extermination. One member of this House suggested that the government tell the US Senator "to keep his elongated American probosis south of the border" and apply himself to solving the foreign and domestic problems of his own country. I can understand the deep concern of this member who comes from Newfoundland, but I would suggest that irritation over the problem is no solution to it; and solutions must be found.

One suggestion is that if a seal sanctuary were established in the Gulf of St. Lawrence, the tourist benefits to be derived from it would offset, at least in part, the monetary loss to that section of the country. True, there might be difficulties in initiating such a project and the benefits might fall far short of the need. But it is my understanding that the Department of Fisheries and Forestry is considering it as part of the solution. In any event, alternative employment must be found for the seal hunters. Canadians from coast to coast in increasing numbers are becoming sickened by what the minister has called "a very gory happening". Seals aren't killed for food or essential clothing. Domestic animals can be slaughtered under conditions which keep pain and fear to a minimum. This is not true of seals on shifting ice floes.

Suppose alternative employment still falls short and income must still be provided for seal hunters and their families. James Eayrs, in his recent eloquent and humane article on the need to abolish the seal hunt, observes:

> We pay Prairie farmers not to grow wheat. Why can't we pay Maritimers and Newfoundlanders not to kill baby seals?

Why not, indeed? The good name of Canada in the world community is at stake.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, this week we are setting up a special advisory committee on Atlantic seals. It is composed of scientists and executive members of international humane societies, all of whom have visited the seal hunt on a number of occasions. This committee will study not only humane methods of harvesting seals but will also recommend measures to the government to ensure the maintenance of seal herds in the future.

We are making a number of changes and we are also in a better position to manage the hunt than in previous years. One of the reasons for this is that the Gulf of St. Lawrence is now totally under Canadian control in so far as the harvesting of seals is concerned. The promulgation of the closing lines across the Cabot Strait and the Strait of Belle Isle for the first time makes all of the Gulf of the St. Lawrence exclusively Canadian from an administrative point of view.

We are in control of the Gulf of St. Lawrence but we do not control the North Atlantic off Labrador except within the 12-mile limit. Other countries will harvest there and it is therefore necessary to convince them, including Norway, to observe the over-all quotas. This is the first time we have had quotas for seals. In future this will be geared to the findings of this special committee and I suggest that next year at least the quota will be somewhat reduced.

[Mrs. MacInnis.]

I named in a press release today six prominent people from various countries who will serve on this special advisory committee. We hope to get two others from outside Canada to serve on the committee as well. We will pay close attention to their recommendations. They are from international, humane organizations. They are not employees of the government of Canada and certainly not employees of the federal Department of Fisheries. As I say, we are going to listen to them very carefully.

I want to observe again that the seal hunt is not totally within Canadian control or Canadian territory. There are literally millions of seals, and the harp seal is not in any immediate danger of extinction. There are a number of native people and people living in very small, remote communities who still earn a substantial part of their livelihood from the seal fishery. We must also take them into consideration. People who live in highly populated communities and who are accustomed to an affluent way of life cannot possibly understand the primitive conditions under which these people live. We must pay some attention to their livelihood and welfare as well.

MANPOWER—AMENDMENT OF REGULATIONS TO EXTEND RETRAINING PERIOD

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, the other day I asked the Minister of Manpower and Immigration (Mr. Lang) about the general dissatisfaction that many trainees feel. They are dissatisfied, not with their instructors or the local personnel of Manpower offices but with the stupidity and rigidity of regulations governing the courses they want to take. I have received many complaints both verbally and by letter. Many trainees have come to see me to discuss their problems. I have heard their complaints. There were reasoned and reasonable complaints. Many were trapped in the rigidity of the courses or blocks of courses they were taking. Why was that, Mr. Speaker? The answer is that the Manpower people too often refuse to treat trainees as individuals.

Everything possible should be done to see that a trainee is given the academic training necessary not only for the private but for the public sector as well. By that I mean that trainees should reach grade 12 levels of education. Many of them do not reach that level which is being demanded. Some reach the grade 12 level and the department boasts that their earnings increase by 20 per cent as compared with previous earnings.

In training trainees, the demands of the market must be assessed. They must be trained to meet the demands of the market, and I do not think this is being done adequately. There are grave doubts on this score. There are indications that the requirements of the labour market ought to be assessed better and that its future requirements ought to be looked at more carefully. It is of paramount importance, with the unemployed lists growing at the rate of 100 per day, as they have been for the past two years, that every effort be made to see that trainees get a position and begin earning, thereby adding to the economy rather than drawing from it.

Manpower training has been described as a disaster because bureaucratic regulations will not allow some who

need the training and who are eligible to qualify. Sometimes trainees are not permitted to train for long enough. We must remember that over 40 per cent of our labour force is not educated to grade 8 level. Department of Manpower regulations state that you can only take 52 weeks training at any one time, plus an additional 52 weeks of training in skills.

Here is the catch, Mr. Speaker. Say the trainee starts at the grade 5 level. He takes 12 weeks for each grade and at the end of 48 weeks he has completed his education up to and including the grade 8 level. In no way can he complete grade 9. He has only four weeks left, and he cannot complete grade 10. He cannot go on to take a highly skilled course because he has not the academic background or the knowledge to master that course; and there that trainee is. He therefore has to wait for another term. What an inflexible, bureaucratic, discriminatory rule that is, Mr. Speaker. It is frustrating and cruel for the person involved and is a wanton waste of the taxpayer's money.

The trainee has trained hard for 48 weeks. He has cost the federal taxpayer—and who is not a federal taxpayer—$7 a day for training, or $2,000 for his education alone. He will only have reached the grade 8 level, which is nowhere. If he is single, he will have drawn $43 a week; so that for the total time he has spent training he will have cost the taxpayer around $4,000. If he is married, with four dependants, he will have drawn $88 per week. In a year we spend over $300 million on these courses. I have checked into this and according to figures I was given this year we are to spend around $320 million on these courses.

• (10:10 p.m.)

The way to correct this colossal blunder lies in allowing the trainee to continue until he has finished grade 10, if he is going into a skilled trade, then letting him complete his training in skills before getting him back to work. As it is, he finds himself turned out at grade 8 level without a job. Does he go on welfare, waiting until he can register again and, hopefully, complete grades 9 and 10 so that he can then learn the skills required? This is very likely.

The Canada Manpower centres and the local educational facilities operate in an administrative vacuum. There is little or no constructive consultation as to the real needs of students or the best way of spending the taxpayers' money. This is the way the federal government wants it—bureaucratic control from the top. Instead of using the judgment of the local Manpower centres—in my constituency, and I am sure this applies generally, they are staffed with smart, intelligent people who will strive to help these trainees—the federal government prefers to exercise rigid bureaucratic control. The same applies to the teachers. Give them more elbow room in which to operate, and we would see a real improvement in the results. But Ottawa allows them no power within the rigid framework provided.

No leeway is allowed to the teacher to help the trainee along in the best way for the individual concerned; and if it is best for him, it is probably best for the taxpayer. Ottawa must make even the minor decisions. No provision is made for the student who could complete the course in less than the normal period. All must work at the same rate. No provision is made for the talented academic student who might wish to go on to grade 13, either by Manpower or by the provincial boards of education.

I trust I have drawn attention to some of the flaws in the system as well as ways in which a remedy might be found. Many of the problems and shortcomings attached to the retraining program have been outlined in briefs to the department and others. I have drawn attention to some of them in the short time available to me. I am sure the minister is aware of these serious shortcomings and, hopefully, he realizes they must be overcome in order that the $323 million we are spending on the program may not be spent in vain but will bring satisfaction to both the trainees and the taxpayers.

Mr. Chas. L. Caccia (Parliamentary Secretary to Minister of Manpower and Immigration): Mr. Speaker, it is a pity that the hon. member should have displayed such colossal ignorance of the social benefits which have accrued by virtue of the Manpower training program. It is true there are occasions when individual cases are handled in a manner which leaves something to be desired, but to draw from those cases such a sweeping conclusion in the terms the hon. member adopted tonight amounts to displaying a very limited knowledge of the entire subject.

The whole question of the education of adults is a difficult one. It requires, of course, flexibility and sensibility, and we certainly welcome suggestions and criticisms from members of this House, advanced—

Mr. Rynard: Don't speak about colossal ignorance, then.

Mr. Caccia: —without attempting to accuse the Manpower retraining effort of being a colossal blunder, as the hon. member did. Of course, the object of the educational upgrading courses is not to provide the equivalent of a primary or high school diploma or to facilitate entry into university. It is to provide the essentials of the mathematics, science and communications required to enable an adult to enter a skill training course or move directly into a job. A great deal of such upgrading can be accomplished in 52 weeks. It is common in most provinces to take an adult from functional illiteracy up to the completion of primary level, or from primary level up to the grade 10 level well within this limit. Moreover, experimental programs now under way may enable an adult to move through the equivalent of grades 1 to 10 within 52 weeks.

Modifications in the limits on the duration of training, with a view to providing flexibility if and when required, have been considered. These possible modifications raise questions such as: What larger proportion of available training resources would be devoted to serving relatively fewer trainees? What effect might the elimination or extension of the limits on training have on the incentive

for training institutions to make the qualitative improvements in training which are necessary to speed up the educational process? These are basic problems and are not easy to solve. So in reply to the points raised by the hon. member, may I say that the department, with the co-operation of the provinces, is working on ways and means of providing shorter training courses tailored to the needs of the trainee.

Mr. Deputy Speaker: Order, please. I regret to advise the parliamentary secretary that his time has expired.

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

HOUSE OF COMMONS

Wednesday, March 31, 1971

The House met at 2 p.m.

PRIVILEGE

MR. PEDDLE—TWENTY-SECOND ANNIVERSARY OF NEWFOUNDLAND'S ENTRY INTO CONFEDERATION WITH CANADA

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Mr. Speaker, I rise on a question of privilege. My question of privilege concerns an incident which took place at one minute before midnight on March 31, 1949, 22 years ago, a number of some significance to the Prime Minister.

• (2:10 p.m.)

It was on this date, March 31, 1949, at one minute before the witching hour of midnight that nocturnal nuptials, or one might say a midnight marriage, took place between Newfoundland and Canada. The Right Hon. Louis St. Laurent, affectionately known as Uncle Louis, bore the ring, and Joey Smallwood, affectionately and otherwise known as Joey Smallwood, the shotgun.

For hon. members who are curious about the strange, eerie hour, here is the official explanation. There was a conflict of interest between one faction which wanted the event to coincide with the very beginning of the new fiscal year and the other faction which at any cost wanted to avoid All Fool's Day. Thus this mysterious but very delicate balance was struck.

Newfoundland was a good deal older than Canada, but despite the age differential 52.34 per cent—here is a significant number again—of Newfoundlanders felt the marriage could be successful while 47.66 per cent felt the marriage could never work. Most of us who supported Confederation felt sure it would survive at least 22 years, but had we known the only living father thereof would survive that long as premier the marriage might never have been solemnized. Anyway, we can take solace in the fact that he has been the best premier Newfoundland has had since Confederation.

Seriously Mr. Speaker—I see you are clutching the edge of your chair so I shall end soon—on this the twenty-second anniversary of Confederation, while I cannot speak nor would I presume to speak for our estranged brother, the Minister of Transport (Mr. Jamieson), who wept bitterly when the banns were announced 22 years ago, I am sure that, generally speaking, we Newfoundlanders on this side of the House supported Confederation and, whether we did or not, we are proud to say today "We are Canadians".

Some hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

JUSTICE AND LEGAL AFFAIRS

Sixth report of Standing Committee on Justice and Legal Affairs—Mr. Tolmie.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

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NORTHWEST ATLANTIC FISHERIES CONVENTION ACT

AMENDMENTS RESPECTING DEFINITIONS, INSPECTION, OFFENCE AND PUNISHMENT

Hon. Jack Davis (Minister of Fisheries and Forestry) moved the first reading of Bill S-13 (from the Senate), to amend the Northwest Atlantic Fisheries Convention Act.

Motion agreed to and bill read the first time.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

AIR CANADA—FEASIBILITY STUDY AS TO ADVISABILITY OF CONSOLIDATING RESERVATION OFFICES

Question No. 720—**Mr. Orlikow:**

1. Did Air Canada commission a feasibility study as to the advisability of consolidating reservation offices across Canada and, if so, by whom was the feasibility study conducted and how much did this study cost Air Canada?

2. In how many cities did the feasibility study recommend that reservation offices for Air Canada be located, and what are the names of the cities so designated?

3. In which cities, where there are now reservation offices for Air Canada, will such offices be closed?

Questions

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Air Canada advises as follows: 1, 2 and 3. Reviews have been carried out by Air Canada personnel at various times with reference to specific locations. Reviews of this nature are on-going, covering the whole system, and are designed to bring about improvements in standards of customer service. If and when any adjustments are to be made as a result of further studies, appropriate notice would be given and discussions held between the Company and union representatives.

AIR CANADA—RESERVATION OFFICE, OTTAWA

Question No. 721—**Mr. Orlikow:**

1. (a) Where is the reservation office of Air Canada located in Ottawa (b) when was this space leased and what rent did Air Canada contract to pay annually (c) what was the length of the lease (d) what will it cost Air Canada to terminate its lease for these premises?

2. What was the cost of purchasing new equipment and installing same in the present premises occupied by the reservation office of Air Canada in Ottawa and what will be done with this equipment?

3. What additional premises, facilities and equipment will be required in Montreal to handle the Ottawa reservation business and what is the estimated cost of these items?

4. What is the estimated cost to Air Canada of transferring the employees in the reservation office from Ottawa to Montreal?

5 What will the net savings to Air Canada be as a result of moving the reservation office to Montreal in the next five years in (a) direct labour (b) equipment (c) lease of premises?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Air Canada advises as follows: 1. (a) 355 River Road; (b) (c) and (d) In its real estate transactions, the Company deals with private firms, many of which are competitors, and it has not been the practice of the Airline to disclose details of such transactions as this could prejudicially affect the Airline in any future negotiations. Discussions with respect to the termination or sublet of the lease are currently under way with the lessor. In all respects, however, the best interests of the Airline are protected.

2. Some of the equipment will still be required at Ottawa and the balance is removable and will be used elsewhere.

3. Nil.

4. The information is not available until employees involved have exercised options to transfer.

5. Direct labour and lease savings of $1,139,000 are offset by additional communication expenses of $360,,000 for an estimated net saving of $779,000 over five years.

AIR CANADA—TELPAK RESERVATION SYSTEM

Question No. 722—**Mr. Orlikow:**

1. Did Air Canada investigate whether or not other major air carriers had instituted the telpak reservation system, found through experience that the system was wanting and subsequently reinstated their previous equipment and facilities at considerable cost?

[Mr. Orlikow.]

2. If such inquires were made, which public air carriers had such experiences?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The management of Air Canada advises as follows:

1 and 2. U.S. Airlines make extensive use of Telpak. The most recent report of the Air Traffic Conference of America indicates that United States airlines provide reservations service to 708 United States cities in this way. Management has heard no adverse comments concerning use of Telpak to consolidate reservations services in the United States and the practice is increasing. The A.T.C.A. report shows that both Canadian Pacific Air and Eastern Airlines presently use Telpak arrangements from Ottawa to their Montreal reservations offices in the manner presently planned by Air Canada.

CNR—PURCHASE OF RAILWAY TIES

Question No. 804—**Mr. Lambert (Bellechasse):**

During 1970, how many railway ties of each category of quality were bought by CNR in (a) the Province of Quebec (b) the Province of Ontario?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The management of Canadian National Railways advises as follows:

	Hardwood Track Ties	Hardwood Switch Ties	Softwood Track Ties
(a) Quebec	194,250	659,660 FBM	11,200*
(b) Ontario	161,910	459,020 FBM	509,465

* The quantity shown represents all of the softwood ties that were available to the railway during 1970.

POST OFFICE CONSTRUCTION, 1970

Question No. 840—**Mr. Southam:**

1. (a) How many post offices were constructed in Canada during 1970 (b) by province, how many were constructed during 1970?

2. (a) How many post offices are slated for construction during 1971 (b) by province, how many are to be constructed during 1971?

Hon. Arthur Laing (Minister of Public Works): 1. (a) 122. (b) Listed below.

Province	By Crown Construction *Single Purpose	*Multi Purpose	**By Build-Lease *Single Purpose	*Multi Purpose
Newfoundland	6	2	—	—
Nova Scotia	2	3	—	—
New Brunswick	1	—	—	—
Quebec	16	—	6	1
Ontario	20	2	3	—
Manitoba	7	1	3	—
Saskatchewan	17	2	1	—
Alberta	11	1	7	—
British Columbia	4	2	3	1

2. (a) 191. (b) Listed below.

Province	By Crown Construction *Single Purpose	By Crown Construction *Multi Purpose	**By Build-Lease *Single Purpose	**By Build-Lease *Multi Purpose
Newfoundland	3	—	2	2
Prince Edward Island	1	—	—	—
Nova Scotia	2	—	—	—
New Brunswick	6	2	—	—
Quebec	12	6	22	7
Ontario	44	7	20	—
Manitoba	8	5	3	—
Saskatchewan	13	2	1	—
Alberta	13	—	2	—
British Columbia	2	2	4	—

*Single purpose means a building that accommodates only a post office, and multi purpose means a building that accommodates other department(s) as well as a post office.

**Build-lease means a building constructed to the Department of Public Works' specification and leased to the Department of Public Works by an entrepreneur as a result of a public tender call.

ATLANTIC REGION AIRPORTS—PASSENGER, SPACE AND OPERATIONAL STATISTICS

Question No. 911—**Mr. McGrath:**

1. How many passengers, from 1965 to 1970 used the following Airports (a) St. John's (b) Gander (c) Halifax (d) Moncton (e) Saint John?

2. How many square feet of passenger terminal space is available at each Airport?

3. By year, for the same period, what was the number of hours which each Airport was not operational due to weather conditions?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport):

1. Total Revenue Passengers (emplaned and deplaned)

	St. John's	Gander	Halifax	Moncton	Saint John
1965	145,085	74,521	370,936	136,041	91,270
1966	157,658	78,334	430,174	159,864	98,144
1967	184,952	74,185	507,218	176,434	129,376
1968	192,010	75,339	544,956	185,785	132,580
1969	189,583	69,356	578,012	133,613	123,026
1970	Figures for this year are not yet available from the Aviation Statistics Centre of DBS.				

2. Total Passenger Terminal Space (in square feet)

St. John's	Gander	Halifax	Moncton	Saint John
9,320	39,128	43,376	8,900	7,154

3. Total non-operational time due to weather conditions

The only times that any of the above airports were officially closed to air traffic during the period 1965-70 occurred in 1965, when St. John's and Gander were not operational for 12 hours and 2 hours respectively due to snow.

The dates which would indicate when weather conditions were below safe flying limits are not readily available.

COST OF CANADIAN PARTICIPATION AT OSAKA WORLD FAIR

Question No. 931—**Mr. Rondeau:**

1. What were the costs for the Canadian Pavilion at the Osaka World Fair (a) for administration (b) for performers (c) for support staff?

2. What were the additional expenses (a) during visits of dignitaries (b) for the Right Hon. Prime Minister of Canada?

3. What was the cost of Canada's national day (a) for dignitaries (b) for performers (c) for security and other measures?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): In so far as the Department of External Affairs is concerned: $199,950 was contributed towards the cost of the participation of the National Ballet of Canada and the Montreal Symphony Orchestra, in the World Festival of the Arts at Osaka.

The Canadian Ambassador to Japan incurred official hospitality expenses totalling $23,144.25 for extra representational activities during the World Fair but not necessarily at the Canadian Pavilion, this amount includes costs of $179 for a luncheon for the Prime Minister of Canada and his entourage.

In so far as the Department of Industry, Trade and Commerce is concerned:

1. (a) $397,200, which covered salaries, allowances and removal of the administrative staff during their complete term on the Osaka project.

(b) $419,578, which covered fees, accommodation and transportation for all performers for the duration of Expo '70, excluding Canada Day performers.

(c) $1,176,000, which included salaries, allowances and removal of Canadian support staff; the R.C.M.P.; Canadian hosts and hostesses; salaries of Japanese support staff; Japanese security police; Japanese hostesses; Japanese usherettes; and stagehands.

2. (a) During visits of dignitaries, $6,500, (52 official and state visits). (b) Nil. He was the guest of the Japanese government throughout his stay.

3. (a) For dignitaries, including the total cost of Canada Day receptions, $10,000. (b) $105,000, which included fees and transportation. (c) Security was provided by the Japanese Association and Government of Japan at their cost. Other measures which included costs of costumes, props, platform and transportation totalled $25,000.

DEPARTMENT OF TRANSPORT—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 955—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of Transport is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): In so far as the Department of Transport's Supplementary Estimates "A" 1970-71 are concerned, only 42 per cent can be identified in the following categories:

	%
(a) Winter works	—
(b) To reduce unemployment	42
(c) Underestimating expenditures	—
(d) Combatting inflationary costs	—
(e) New programs	—
(f) Hiring of additional employees	—

The remainder of Supplementary Estimates "A" do not fall within the categories noted. The balance represents such unforeseen items as:

1. Oil pollution clean-up following the sinking of the tanker *Arrow*.

2. Charter of a replacement vessel due to the loss of the Newfoundland Coastal Ferry *S.T. Patrick Morris*.

3. Settlement of a construction claim concerning the St. Ours Dam in the Quebec Canal system.

Transport had no requirements under Supplementary Estimates "B".

[Mr. Jerome.]

RCMP—SEARCH OF CONTRABAND GOODS, PLACENTIA BAY, 1968-70

Question No. 1,014—**Mr. Carter:**

1. How many private homes were entered by RCMP officers in the Placentia Bay area in search of contraband goods from the U.S. Naval Station, Argentia, in the years 1968-69-70?

2. On what authority were the searches conducted?

3. What goods were confiscated and their assessed value?

4. What were the items on which Excise taxes were levied and their assessed values?

Hon. Jean-Pierre Goyer (Solicitor General): 1. 1968, 4; 1969, 21; 1970, 5.

2. Writs of Assistance issued pursuant to the Customs Act.

3. Televisions, tobacco products, stereos, record players, tape recorders, radio equipment, watches, refrigerators, stoves, dish washers, clocks, cameras, projection equipment, food mixers, toiletries and other items for household use, having a total appraised value of $7,051.70.

4. Televisions, record players, stereos, radio equipment, watches, tobacco products and toiletries having a total appraised value of $2,482.90.

ADULT TRAINING AND RETRAINING PROGRAM COURSES

Question No. 1,034—**Mr. Yewchuk:**

1. What are all the courses offered by the Department of Manpower and Immigration as part of the Adult Training and Retraining Program?

2. How many persons were enrolled in each given course for the year 1970?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Departmental records are not maintained in a manner which would readily provide the information requested. To obtain these details would necessitate the carrying out of a special research. The necessary staff is not available to undertake the large amount of work involved to provide a complete and accurate answer. In addition, the Department does not have the necessary funds to undertake this expensive research.

CANADA STUDENT LOANS PLAN—UNCOLLECTABLE LOANS

Question No. 1,038—**Mr. Hales:**

1. How many student loans have been returned to the government from chartered banks as uncollectable for each year from the inception of the Canada Student Loans Plan to December 31, 1970?

2. What was the amount of such loans?

3. For what reasons were they written off as uncollectable?

4. What amount was collected by professional collection agencies and what percentage does the government pay for such service?

Hon. E. J. Benson (Minister of Finance): 1, 2, and 3. The table below shows the number and amount of claims submitted by lenders as uncollectable by loan year (1 July-30 June) and by reason for claim.

Loan Year	Death Claims		Default Claims		Total	
	No.	Amount	No.	Amount	No.	Amount
		$		$		$
1964/65	1	500	Nil	Nil	1	500
1965/66	31	20,690	12	6,751	43	27,441
1966/67	64	55,607	157	109,256	221	164,863
1967/68	85	93,484	449	210,436	534	303,920
1968/69	106	122,133	554	395,709	660	517,842
1969/70	148	163,973	1,439	1,495,650	1,587	1,659,623
1970/71 (to 31.12.70)	71	101,635	1,979	2,151,677	2,050	2,253,312
Total	506	558,022	4,590	4,369,501	5,096	4,927,501
Percentage	10	11	90	89	100	100

Death claims are written off under the legislation. On default claims, collection action continues in cases where the borrower cannot be located (approximately 60 per cent of default claims) or refuses to co-operate with the lender (approximately 30 per cent of default claims). Some default claims arise due to circumstances beyond the borrower's control. If a borrower's difficulties are the result of such temporary problems as sickness, accident, imprisonment or unemployment, no collection action is undertaken provided the borrower has co-operated with the lender in arriving at a stretched-out repayment schedule (approximately 10 per cent of default claims). If a borrower were to become permanently incapacitated, the claim would be written off. No default claims have yet been written off.

4. A professional collection agency was employed in late 1968 to follow default claims. The table below shows collection made by this agency since that date. The fee for this service is that authorized in the Regulations for payment to lenders for collections made by them (i.e. 20 per cent of the amount of principal and interest recovered).

Loan Year	Amount Collected
1968/69	$ 46,500
1969/70	$ 85,400
1970/71 (to 31.12.70)	$209,800

NEWFOUNDLAND—GUARANTEED LOANS, 1971

Question No. 1,071—**Mr. Lundrigan:**

Since the beginning of the 1971 fiscal year (a) how many loans were made in the Province of Newfoundland under (i) the Farm Improvement Loans Act (ii) the Fisheries Improvement Loans Act (iii) the Small Businesses Loans Act (b) what was the amount of each such loan?

Hon. E. J. Benson (Minister of Finance): Data on numbers and amounts of loans by province under these programs will be published in full in their Annual Reports later this year.

INCOME DERIVED FROM USE OF COMPUTER SERVICES

Question No. 1,091—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Transport (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The following income was derived by the Ministry of Transport from provided computer services:

	1969/70	1970/71
Other Departments	$ 62,450	$ 80,315
Industry	19,000	20,000
Provincial Governments	—	—
Municipalities	—	—
Total:	$ 81,450	$100,315

NEWFOUNDLAND—MINERAL EXPLORATION

Question No. 1,118—**Mr. Marshall:**

1. Has the government entered into an agreement with the Province of Newfoundland re mineral exploration?

2. Will the federal government be carrying out any such surveys in the Province of Newfoundland?

3. Will geological surveys with emphasis on industrial minerals, silica, limestone, dolomites, barite, celestite, be carried out with federal government assistance?

Questions

4. Will the federal government assist the Province of Newfoundland in detailed geological mapping to identify and locate promising mineral areas?

5. Will the federal government assist the Province in land development surveys to establish boundaries of Crown and private lands in order to establish titles and speed development?

6. What will the federal government contribution be in each case in answer to Parts 2, 3, 4, 5?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. No. Discussions concerning possible assistance for selected mineral development activities in Newfoundland are underway between the Province and the federal Departments of Regional Economic Expansion and Energy, Mines and Resources.

2. No.

3. As part of a possible mineral development program for Newfoundland, consideration is being given to federal financial assistance for geological examinations of industrial mineral deposits.

4. No.

5. Under the Atlantic Provinces Surveying, Mapping and Land Registration Program, the Department of Regional Economic Expansion is assisting the Province of Newfoundland to map Crown Land Boundaries, establish second order control and undertake large scale mapping of certain urban areas. The Province is responsible for land registration and land titles systems.

6. This will depend on the results of current discussions about a possible program for Newfoundland.

CANADIAN ARMED FORCES—RECRUITMENT STANDARDS

Question No. 1,166—**Mr. Forrestall:**

1. In the recruitment program of the Armed Forces (a) what education levels are being requested (b) what degree of technical skill is demanded (c) what is being done specifically to attract recruits at such educational levels and with such skills?

2. Do the Armed Forces make extra demands of military tradesmen as compared to industry and, if so, are such extra demands compensated for accordingly and in what manner?

Hon. Donald S. Macdonald (Minister of National Defence): 1. (a) Normally, a minimum of Grade 8 or equivalent. (b) For entry as an unskilled recruit appropriate aptitude tests are given to determine suitability to undergo training in trades that are open to recruiting. Skilled applicants must possess the technical skills that are in demand. (c) A continuous national and local advertising program, through press and radio; mobile recruiting teams providing information to the local populace and educational institutions; and conducting tours to various military installations for School Guidance Counsellors.

2. Yes, members of the Canadian Forces, under operational conditions, work long hours in adverse climatic conditions and are subject to moves, often at very short notice, to meet temporary emergencies or requirements. For servicemen serving in certain environments and under certain hazardous conditions, allowances are payable to attract, retain and compensate, whilst others have it built into their rate of pay.

[Mr. Marshall.]

PRIVY COUNCIL OFFICE—INCOME DERIVED FROM USE OF COMPUTERS

Question No. 1,170—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Privy Council Office (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Mr. Barnett J. Danson (Parliamentary Secretary to the Prime Minister): The use of computors by the Privy Council Office is limited as outlined in the answer to question No. 413 to be found in Hansard of November 23, 1970, at page 1358. As a result no income is derived therefrom.

DEPARTMENT OF MANPOWER AND IMMIGRATION—INCOME DERIVED FROM USE OF COMPUTER SERVICES

Question No. 1,171—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Manpower and Immigration (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. Otto E. Lang (Minister of Manpower and Immigration): The Department does not provide computer services to: (a) other departments; (b) industry; (c) provincial government departments; (d) municipalities.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

PRIVY COUNCIL—PARLIAMENTARY INQUIRIES AND CO-ORDINATION DIVISION

Question No. 350—**Mr. Muir:**

1. What is the function of the Parliamentary Inquiries and Co-ordination Division of the Office of the President of the Privy Council?

2. What are the names of the employees of this Division and what are their annual salaries?

3. What are the names and annual salaries of any other employees or people directly affiliated with the Office of the President of the Privy Council who assist the Division in performing its functions?

4. In what manner does the Division deal with other departments and agencies in performing its functions?

5. What are the names and annual salaries of the employees of other departments and agencies with whom the Division regularly deals in performing its functions?

6. What are the additional duties of any persons named in the answers to Parts 3 and 5?

Return tabled.

FEDERAL GOVERNMENT LEASING AGREEMENTS

Question No. 381—**Mr. Coates:**

1. How many leases have been entered into by the government by either individuals or firms for a rental fee of $10,000 annually or more, that are for a period of ten years or more?

2. (a) What are the name of the individuals or firms (b) what are the locations of the rented properties (c) what is the actual dollar value of each lease annually (d) what is the period of the lease in each instance?

Return tabled.

OPERATION LIFT

Question No. 1,003—**Mr. Thomson:**

1. What were the amounts paid in (a) salary (b) expenses, to all persons engaged in Operation Lift?

2. Were any individuals who work for PFAA engaged in Operation Lift and, if so, what were their (a) names (b) addresses (c) salaries (d) expenses?

3. What department actually managed the field work of Operation Lift?

4. If there was another agency or department involved in addition to PFAA, what was the liaison between them?

Return tabled.

MOTION TO ADJOURN UNDER S.O. 26

LABOUR RELATIONS

EFFECT OF RAIL TRAFFIC DISRUPTION ON GRAIN MOVEMENT

Mr. Paul Yewchuck (Athabasca): Mr. Speaker, under Standing Order 26 I ask leave to move a motion for the adjournment of the House for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the disruption of rail traffic and its present consequences, particularly on the movement of grain to meet Canada's export commitments. This emergency calls for discussion of measures that can be taken immediately to get prairie grain aboard ship at Vancouver to meet these commitments, for discussion of action to ensure that isolated communities get supplies, for discussion of the appointment of an independent conciliator to bring the railways and unions to settlement as quickly as possible in the national interest, and discussion of the appointment of a task force or other body to recommend long-term plans for the settlement of such disputes on the basis of public convenience and necessity. If this proposal is acceptable to you, Mr. Speaker, I would move, seconded by the hon. member for Moncton (Mr. Thomas), that this House do adjourn for this purpose.

Mr. Speaker: The hon. member for Athabasca has given the Chair due notice of his intention to move the proposed motion under the terms of Standing Order 26. In dealing with the matter stated, I think I owe it to the Chair, to the hon. member and to the House to refer once again to the form of the motion proposed by the hon. member.

The House well knows that Standing Order 26 requires that notice should be given to the Chair accompanied by a statement of the matter to be considered, and that the statement made by the hon. member in the House under the terms of Standing Order 26 should not go beyond the notice which has been given to the Chair, should be limited entirely to a statement of the matter itself, should not include enumeration of circumstances, and should not include any argument. I suggest respectfully to the hon.

member that again the form is perhaps somewhat defective, and I would hope hon. members would try to bear this in mind. Of course, in such an important matter I would not think I should rule on it entirely from the procedural aspect. I think the situation is so important that it does require substantive and substantial consideration by the Chair.

As the hon. member for Athabasca knows, a similar motion was proposed in the House just the day before yesterday by the hon. member for Moose Jaw. At that time I suggested to the House that the Chair should not overlook the condition and it is a very important one, that there can be only one discussion about a question during the same session under the terms of Standing Order 26. So there is a considerable responsibility on the part of hon. members and on the part of the Chair, when a serious condition is developing, to ensure that the debate, if one is permitted under Standing Order 26, should come at the appropriate time. I am not convinced that the situation has changed so much since Monday that a debate should be allowed today. I am very anxious to follow the matter as closely as possible along with hon. members and perhaps in consultation with them, so that if the point should be reached where it appears that it would be advantageous to the House, to Parliament and to the country that an emergency debate should take place, a motion under Standing Order 26, would be granted.

I reiterate my feeling that this is a matter of extreme importance and of great urgency. The question to determine, if an emergency debate is to be had, is when it should be called. I respectfully suggest to the hon. member that we have not reached that stage today. I shall continue to keep the matter under consideration and, as I said, if hon. members feel it will be of value I shall consult with hon. members representing the different parties as the situation develops from day to day.

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call notice of motion No. 133?

DEVELOPMENT OF CITÉ DU HAVRE

Motion No. 133—**Mr. Gilbert:**

That an Order of the House do issue for a copy of the plan prepared by the Central Mortgage and Housing Corporation regarding the development of Cité du Havre in Montreal and discussed in May between officials of CMHC, Montreal and the National Harbours Board.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Central Mortgage and Housing Corporation advises that the report is at this point a confidential one, and that consequently it

would not be in the public interest to table it at this time. I would therefore ask the hon. member to withdraw his motion.

Mr. Gilbert: I will, Mr. Speaker, subject to the reservation that I will put the motion on the order paper again at a later time.

Mr. Speaker: The motion is dropped.

Order discharged and motion withdrawn.

• (2:20 p.m.)

ORAL QUESTION PERIOD

LABOUR RELATIONS

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—STATUS OF NEGOTIATIONS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to direct a question to the Minister of Labour. Can he bring the House up to date and give us any information regarding the success, if any, in bringing the labour dispute involving our two national railways to a successful conclusion?

Hon. Bryce Mackasey (Minister of Labour): I thank the hon. gentleman for the reasonable way in which he posed the question, indicating his experience as a former Minister of Transport. He appreciates, if other members of his party do not, that prejudgment of labour negotiations at a period as delicate as this, particularly in the field of transportation, can only have a detrimental effect. I would hope nobody would presume or want to presume—I know the hon. gentleman does not—that the democratic rights of the workers should be removed from them prior to an emergency. I have often said that when and if public interests supersede those of the private parties, I will be prepared to assume my responsibility, but I would not go as far as some hon. members in presuming when that moment should be.

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—INTERVENTION BY MINISTER OF LABOUR—STATUS OF NEGOTIATIONS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I have a supplementary question for the Minister of Labour. In view of the very serious dislocation to the economy of western Canada caused by the fact that the strike of locomotive engineers now covers nearly all of western Canada and the fact that a strike vote is being taken which may affect all of the railway systems throughout Canada, I should like to ask the minister if the time has now been reached when he might meet with both of the parties to this dispute to see if his good offices could be used to bring them closer to an immediate settlement?

[Mr. Jerome.]

Hon. Bryce Mackasey (Minister of Labour): Once again, Mr. Speaker, I apologize for being rather ambiguous in my reply. I cannot very well divulge the confidences of one side or the other or what role, if any, I have played behind the scenes in this dispute. Let me say that I consider it premature at this moment for the Minister of Labour to participate officially in the negotiations.

Mr. Douglas: Mr. Speaker, I have no desire to embarrass the minister or in any way obstruct the possibility of an immediate settlement. However, in view of the fact that the House and the people of Canada generally are deeply concerned about this matter, can the minister tell us if negotiations are continuing and if there seems to be some progress, so that people can have some hope that a settlement is likely in the near future?

Mr. Mackasey: Mr. Speaker, negotiations are going on at this moment in Montreal in the shopcrafts and non-operating groups. There was a meeting this morning between the Brotherhood of Locomotive Engineers and the CNR, but I am not prepared to divulge the outcome. I understand another meeting is now in progress between the negotiating team of the BLE and the CPR. Unless the hon. gentleman would suggest to me that I take compulsory action against the men who are on strike in the west, perhaps prematurely in the eyes of their national bargaining unit, I can only suggest that things are going on as well as I would anticipate at this very delicate time.

Mr. Douglas: Mr. Speaker, I asked the question in the hope that the minister could divulge whatever information he felt free to give. I say to the minister that at no time did I suggest that he take any compulsory action, and no one has suggested that. We are asking the minister whether he, himself, can use the prestige of his office and his own personal expertise for dealing with a situation like this in an attempt to bring about an early settlement.

Mr. Mackasey: Mr. Speaker, I think I indicated to the hon. gentleman who asked a question on behalf of the official opposition that I was prepared to do so at the moment when, in my judgment, it was appropriate. The only reason I alluded to the members of the BLE who are on strike out west is that the hon. gentleman had introduced that in his preamble. I had made no reference to them. I am simply saying that I have divulged all I can without jeopardizing the dispute and the negotiations now going on. If I am forced to divulge more, I think all of us will then have to bear the responsibility if I unintentionally jeopardize what could be a successful conclusion.

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—RETURN TO WORK REQUEST BY MINISTER

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, may I direct a supplementary question to the minister. Since the minister has more or less suggested a

cooling-off period and since he asked the engineers, as a personal favour to him, to return to work, I wonder whether the minister could enlighten us on this point at this time? Has he had a response to this request, and does he intend to follow through on this approach?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker, I spoke personally to the members of the BLE in the general Vancouver area or British Columbia who are on strike and suggested that it would be in the best interests of the BLE and the national unit if they did not anticipate the outcome of the negotiations and returned to work. They refused my request, but I understand they are meeting again at two o'clock this afternoon to reconsider the matter.

Mr. Alexander: Since the minister has a certain amount of charm, and I am not trying to be facetious, can he assure the House and the nation that he will continue to approach the engineers with the request that, as a personal favour to him, they return to work? Can he assure us that he will continue that approach?

Mr. Mackasey: Mr. Speaker, if I thought it would bring a settlement, I would kiss the blarney stone.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, may I ask the Minister of Labour, who has been quite conciliatory in this matter, if he will muzzle the hon. member for Burnaby-Seymour who apparently seems to be trying to bring this matter to an unsatisfactory climax?

* * *

[*Translation*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—SUBMISSION OF APPLICATIONS TO FEDERAL GOVERNMENT

Mr. C. A. Gauthier (Roberval): Mr. Speaker, I have a question for the hon. Secretary of State concerning the Opportunities for Youth program.

Since the government of the province of Quebec has demanded the right of veto regarding projects designed to create jobs for students during the 1971 summer vacation, to be financed entirely by the federal government, could the minister tell us whether students are to submit their project suggestions to Quebec or to Ottawa?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, clearly the hon. member's information is not only incomplete but inaccurate. The agreement between the Quebec and federal governments calls for a Quebec official to be delegated to the secretariat in charge of such projects and for permanent co-ordination in order that priorities and criteria of both governments may be met.

Moreover, a telegram to this effect has been sent to all provincial governments anxious to send one of their officials to this secretariat in order to maintain the best co-ordination possible.

The reply to the hon. member's question is very simple: the project is a federal endeavour and applications should be submitted to the federal government.

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a supplementary question.

Considering the answer just given by the minister, could he tell us if the final decision, with regard to any project, rests with the federal government?

Mr. Pelletier: Mr. Speaker, I believe that I have stated clearly enough that this was a federal program, but I have also stated clearly that the federal and provincial governments had agreed to make joint decisions which do not adversely affect the priorities of the one or the others.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a supplementary question—

[*Later:*]

OPPORTUNITIES FOR YOUTH PROGRAM—ORGANIZATIONS THAT QUALIFY FOR GRANTS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I should like to put a supplementary question to the hon. Secretary of State and ask him whether groups or clubs such as service clubs, Lions or other similar organizations will be financially assisted in the same manner as usually extended to students. Will those clubs which propose certain projects also receive some financial assistance?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, this is indeed a program called Opportunities for Youth, that is a project involving young people, initiatives and achievements by young people. The fact that the projects are sponsored by a committee which includes adults and that these are members of one club or another, is not an obstacle; but the hon. member will realize that the emphasis must be on the responsibility and initiative of young people themselves.

* * *

[*English*]

LABOUR RELATIONS

DISPUTE BETWEEN HUDSON BAY MINING AND SMELTING COMPANY AND EMPLOYEES—PLANS TO EFFECT SETTLEMENT

Mr. Robert Simpson (Churchill): Mr. Speaker, my question is for the Minister of Labour. With reference to the strike of tradesmen employed by Hudson Bay Mining and Smelting Company at Flin Flon, Manitoba, which is well into its third month and is also causing a drastic situation economically in the entire city as well as for many suppliers across Canada, has the minister any further plans to attempt to bring the two parties together in view of the fact that the most recent mediation attempts unfortunately ended in failure?

Inquiries of the Ministry

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, as the hon. member has pointed out, the strike in Flin Flon has already lasted three months. At the request of both parties, we sent a mediator. Unless the attitude of the Hudson Bay Mining and Smelting Company and the several craft unions involved reflects their responsibility to the community, a reflection that was noticeably absent in the presence of the mediator, that strike could very well last another three months.

Mr. Simpson: I take it the minister is suggesting that no further efforts will be made at the present time, or at least until there is a further cooling-off period?

Mr. Mackasey: I am suggesting that both parties at the present moment could very well bring the strike to an end if they would both assume their moral and legal obligations to the community instead of asking the Department of Labour to do the impossible. Until their attitudes change, there is little point in assigning a mediator to the dispute.

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PUBLIC SERVICE

FURTHER REPORT BY ADVISORY COMMITTEE ON PERSONNEL EXCLUDED FROM COLLECTIVE BARGAINING

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I wish to direct a question to the President of the Treasury Board concerning the advisory committee on pay and compensation of excluded personnel in the Public Service, sometimes known as the Clyne committee. In view of the fact that the only report made by this committee was in December, 1968, and in view of the fact that many of the public servants who are excluded from collective bargaining are concerned about the situation, is it the intention of the government to ask the committee for another report soon?

Hon. C. M. Drury (President of the Treasury Board): As the hon. member is aware, I believe, the committee has been in fairly frequent session. I hesitate to describe it as continuous, but it has been in fairly frequent session over the years. Periodically they forward advice, not in the nature of a report but merely advice. I expect there will be a rather more formal report, approaching the first one, in the relatively near future.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. In view of the fact that the report in December, 1968, was tabled, can the minister assure the House that the second report will also be tabled?

Mr. Drury: Mr. Speaker, I think that a second formal type of report would be tabled.

[Mr. Simpson.]

EXTERNAL AFFAIRS

CANADIAN ASSISTANCE IN AIRLIFTING MAIZE TO ZAMBIA

Mr. Heath Macquarrie (Hillsborough): I wish to direct a question to the Secretary of State for External Affairs. Is this country now assisting in the airlift of Maize to Zambia or is it using its good offices to ask Zambia's neighbours to facilitate the ground transport of this important food?

Hon. Mitchell Sharp (Secretary of State for External Affairs): When I was in Zambia, Mr. Speaker, I had a full report from the Zambian government on the situation that is being faced as a result of the clampdown on shipments through Portuguese ports. At that time the Zambian government did not ask us to take specific action. I believe they were merely informing us of a developing situation in which we might be asked to help.

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HEALTH

CONSULTATIONS ON COMPATIBILITY OF PROPOSED BRITISH COLUMBIA AND FEDERAL CIGARETTE LEGISLATION

Mr. P. B. Rynard (Simcoe North): My question is for the Minister of National Health and Welfare. Has the government had consultations with the government of British Columbia regarding the compatibility of the British Columbia cigarette legislation with the expected legislation of the federal government in this area?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker.

Mr. Rynard: When will the federal legislation be introduced?

Mr. Munro: The matter is now under active consideration, Mr. Speaker. When there is a decision on the matter of policy on this question, I will advise the House.

CONSULTATIONS WITH CIGARETTE MANUFACTURERS ON ABANDONING OF ADVERTISING

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Has the minister had any consultations with the cigarette manufacturers with regard to their willingness to withdraw television and other forms of advertising?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker, I and officials of my department have been having discussions with the tobacco manufacturers on a more or less continuous basis covering a lot of fronts, including this one, over the past three or four years.

[*Translation*]

Mr. Roch La Salle (Joliette): I have a supplementary, Mr. Speaker.

As this question is of great interest to me, I would like to ask the minister if he has met the representatives of the Tobacco Producers Association of Canada who seem very worried about this policy?

[*English*]

Mr. Munro: Yes, I have, Mr. Speaker, but not recently. The last time was many months ago.

* * *

POLLUTION

SUGGESTED HALTING OF PROPOSED AERIAL FOREST SPRAYING IN KLANAWA RIVER BASIN PENDING ASSESSMENT OF ECOLOGICAL ASPECTS

Mr. Thomas S. Barnett (Comox-Alberni): I wish to direct a question to the Minister of Fisheries and Forestry involving wide ecological considerations. In view of the known dangers attached to the use of the defoliants 2-4-D and 2-4-5-T, and the concern being expressed by commercial fishermen and conservation groups, will the minister seek to halt the proposed aerial forest spraying program in the Klanawa River basin on the west coast of Vancouver Island until ecological aspects of the proposal additional to the danger of direct fish kill have been fully assessed? Also, will he direct that research studies be made by the forestry branch of his department aimed at devising better techniques for retarding weed tree growth?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, a considerable amount of research has already been done on this subject by our fisheries and wildlife people. No unfavourable ecological effects have been reported as a result of the use of this spray material.

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[*Translation*]

FINANCE

MEASURES TO RELIEVE EFFECT OF FREEING OF CANADIAN DOLLAR ON PULP AND PAPER INDUSTRY

Mr. Alexander Cyr (Gaspé): Mr. Speaker, I have a question for the Minister of Finance.

Could he tell the House if his department or a cabinet committee is presently studying the serious situation of the Canadian pulp and paper industry, following the unpegging of the Canadian dollar?

As some of the plants, such as the Gaspesia Pulp and Paper in Chandler, on the Gaspé peninsula, must stop operating, will the minister make a statement in the near future about the measures which will be taken to meet this situation?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the pulp and paper industry have made representations to us with regard to their difficulties which do not only arise from the unpegging of the Canadian dollar. Their representations are under consideration.

Inquiries of the Ministry

GRAIN

SHIPS WAITING TO BE LOADED AT VANCOUVER BECAUSE OF LACK OF PROPER GRADES PRIOR TO LABOUR SLOWDOWNS—DEMURRAGE CHARGES

Mr. Jack McIntosh (Swift Current-Maple Creek): I wish to direct my question to the minister who reports for the Canadian Wheat Board. Will the minister inform the House how many ships were waiting in Vancouver harbour for grain cargoes and could not be loaded because of the lack of proper grades of wheat and barley at the grain terminals prior to the recent labour slowdowns?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the labour slowdowns have been going on for a significant period of time. Therefore it is difficult to state the precise point at which this might be said to have started. There were ships waiting in the harbour, but prior to the last difficulty the number of ships at berth or waiting for berths was about equal to the number of berths available.

Mr. McIntosh: I wish to direct a supplementary question to the minister on the presumption that he saw the question that I directed to the Prime Minister yesterday. Will the minister make representations to the cabinet that demurrage charges for these ships be paid from the federal treasury rather from receipts of the grain producers?

PROVISION OF ADDITIONAL STORAGE CAPACITY AT VANCOUVER

Mr. A. P. Gleave (Saskatoon-Biggar): I have a supplementary question, Mr. Speaker. In view of the recent statement made by the president of the United Grain Growers, who is also chairman of the Canada Grains Council, that the Canadian grain industry stands in need of an additional five or six million bushels of storage capacity on the Vancouver waterfront, has the minister had any discussions with the co-operatives and the private companies with a view to exploring the possibility of acquiring additional storage?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the whole question of our handling and transportation system is under study. In particular, the facilities at Vancouver have been reviewed fairly constantly. There were a number of changes in the arrangements in Vancouver which seemed to make possible better use of the facilities there. The companies involved have now agreed to take various steps which would allow the facilities to be used to a greater extent. A further examination is being made of whether more facilities are required.

Mr. Gleave: Has the minister considered the possibility of having the National Harbours Board construct additional facilities, or of taking some action under the aegis of the Board of Grain Commissioners, shortly to come under new direction? Has the minister given consideration to taking action along these lines?

Mr. Lang: Mr. Speaker, no specific decisions have been taken about the sort of facilities that would be required,

and therefore no decision has been taken about who would be the best person or the best company to build the facilities. We are looking at the whole question of our handling and transportation system, and the location of facilities may well depend upon some conclusion yet to be reached regarding the system as a whole.

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YOUTH

STUDENT SUMMER EMPLOYMENT EXCHANGE PROGRAM—PAYMENT OF AIR FARE AND ROOM AND BOARD

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Manpower and Immigration. Many young people across the country are wondering whether they might be included on his European tour this summer. There are almost as many as the number that went after the Pied Piper in his day and generation. I wonder whether or not the minister can tell the House whether under this international student summer employment exchange program selected applicants are expected to pay their own air fare and in many cases room and board as well?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, when the program was announced it gave a clear indication that the transportation charges for those seeking summer employment opportunities in Europe were the responsibility of the students themselves. The student is offered an opportunity of some employment which will no doubt go some way toward defraying part of the total expenses, but it is not a program that is subsidized by the federal government.

Mr. Diefenbaker: Mr. Speaker, I am interested in knowing how these students are going to be able to go back to university if they pay their air fare and room and board, unless, of course, the minister is arranging for their employment at a high rate of salary or wages. Is there going to be any endeavour on the part of the government to do this, or is this plan just a sham?

Mr. Lang: Mr. Speaker, this plan has been in effect for a number of years and is altogether in the nature of an opportunity for students to further their cultural education. It is obvious that students who require earnings at the highest possible level during the course of the summer months will not find this program attractive. Nevertheless it is a very attractive program for students who do want to make use of the summer for cultural improvement.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I have a supplementary question for the Minister of Manpower and Immigration. Has the government given consideration to using some of the big 707 jets that the government has at its disposal to take these students over and bring them back?

Mr. Lang: Not to my knowledge, Mr. Speaker. I would have to refer that question to my colleague, but I understand that those planes are very much used in their regular routine.

OPPORTUNITIES FOR YOUTH PROGRAM—PROVISION OF INFORMATION TO SYDNEY MANPOWER OFFICE

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a supplementary question for the minister with reference to the question I posed yesterday which the Prime Minister very kindly took as notice. I refer to the provision of information regarding the Opportunities for Youth program which is not available or was not until yesterday morning at Manpower offices in Cape Breton.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the information was initially mailed out by the Secretary of State's office to the Manpower offices. Subsequently, wherever shortages were reported material has been airmailed to those offices requiring it. This includes the office at Sydney.

NUMBER OF STUDENTS WHO WILL BE WITHOUT SUMMER JOBS

Mr. Lorne Nystrom (Yorkton-Melville): May I address a supplementary to the Minister of Manpower and Immigration. Has the department conducted any studies to determine how many students will still be without summer jobs this year?

Hon. Otto E. Lang (Minister of Manpower and Immigration): No, Mr. Speaker. This is a very difficult matter to determine in view of the variable factors such as the upturn in the economy, the large number of students who are seeking work, and so on. Therefore it is very difficult to do anything other than look at what has been the case in previous years.

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[*Translation*]

AGRICULTURE

QUEBEC—GRANTS FOR TRANSPORTATION AND PURCHASE OF FEED GRAIN

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

Has he received representations from certain Quebec farm associations asking him to subsidize not only the transportation costs of feed grain, but also the purchase price in order to achieve parity between the East and the West, and if so, what was or will be his answer?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I do not recall any specific representations about that particular request, but I think the feed freight assistance program during this past year and for the coming year does in fact equalize to a very large extent the cost of feed in most parts of Canada.

Inquiries of the Ministry

[*Translation*]

BARLEY—DIFFERENCE IN PRICE BETWEEN WESTERN AND EASTERN CANADA

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a supplementary question for the Minister of Agriculture. Is he aware that barley is being sold to Western mills and farmers at 75 cents a bushel, and that the very same barley, after having been delivered to the St. Lawrence ports, costs between $1.54 and $1.57 a bushel?

* * *

[*English*]

FINANCE

INCREASE IN CHARTERED BANK SERVICE CHARGES—EARLY INTRODUCTION OF AMENDMENTS TO COMBINES INVESTIGATION ACT

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Now that the banks recognize that the Combines Investigation Act amendments to be introduced by the minister will probably terminate their right to unrestricted pricing collusion, and since they are now blatantly exploiting their advantage, will the minister expedite the introduction of this legislation?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the introduction of the legislation is not dependent upon what the banks recognize or do not recognize. We are working on it as hard as we can and will introduce it as soon as we can.

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AGRICULTURE

APPLES—PROBLEMS CREATED BY IMPORTS

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct my question to the Minister of Agriculture. In view of the fact there is evidence that the government is giving assistance to apple growers in British Columbia, will he also give consideration to the problem of importations that are affecting the whole industry?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there have been a number of investigations made with respect to imports of certain apple products, particularly apple concentrate. The growers are aware of the findings of most of those investigations.

* * *

FINANCE

INCREASE IN CHARTERED BANK SERVICE CHARGES—REQUEST FOR REFERENCE TO COMMITTEE

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to direct my question to the Minister of Finance and it is partly supplementary to the previous question addressed to the Minister of Consumer and Corporate Affairs. On a number of occasions the Minister of Consumer and Corporate Affairs has been asked about tackling the banks on the question of their increased charges for cheque servicing and the minister has indicated his impotency under the combines legislation. Last week I asked the minister whether he would consider referring this issue to the Standing Committee on Finance, Trade and Economic Affairs so that we could deal with it in an effective way by calling the presidents of the banks before the committee. Has the minister considered this request, and is he prepared to ask the House to make a reference?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker, not at this time.

Mr. Saltsman: Since the minister is not prepared to ask the House for a reference, will he initiate an inquiry into the matter and report to the House?

Mr. Benson: Mr. Speaker, I do not think it requires an inquiry; the facts are fairly plain.

Mr. Speaker: Order. I would remind hon. members that we are now running short of time. We will definitely run short of time unless we limit supplementaries.

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AGRICULTURE

SUGGESTED USE OF DISTINCTIVE CANADIAN SYMBOL ON CANADIAN PRODUCTS

Mr. W. M. Howe (Wellington-Grey-Dufferin-Waterloo): I have a question for the Minister of Consumer and Corporate Affairs supplementary to one which was directed to the Minister of Agriculture in connection with the importation of agricultural products into Canada and the confusion consumers encounter in identifying Canadian products when they want to buy them. In determining the regulations under the new packaging and labelling legislation, would the minister consider devising a truly Canadian symbol which will indicate that products are grown and packed in Canada?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The confusion to which the hon. member refers has been a subject of great concern to my colleague, the Minister of Agriculture, and myself as well as to our officials. We have been endeavouring to eliminate it under existing legislation as far as possible, but I will certainly consider the hon. member's suggestion or representation very carefully because I am aware of the confusion that exists.

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POWER

BAY OF FUNDY TIDES—REPORT ON DISCUSSION WITH NEW BRUNSWICK AND NOVA SCOTIA POWER COMMISSION OFFICIALS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Can the Minister of Energy, Mines and Resources inform us as to

the outcome of the discussions held in Ottawa yesterday between officials of his department and officials of the New Brunswick and Nova Scotia Power Commissions with respect to tidal power?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): The general managers of the Nova Scotia and New Brunswick Power Commissions, accompanied by senior staff, met yesterday with power development and marine construction specialists of the federal government. The meeting discussed in considerable detail the basic assumptions underlying the 1969 report of the Atlantic Tidal Power Programming Board and agreed on a program of review of areas where changed conditions since 1969 may have altered the competitive position of tidal power.

The review committee will report to the general managers of the two provincial power commissions and to the assistant deputy minister for energy of my department. Their work will touch on such matters as interest rates, escalation of costs of tidal and conventional power generation, and new developments in generation and construction techniques.

Some hon. Members: Hear, hear!

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FINANCE

INCOME TAX REDUCTIONS IN UNITED KINGDOM BUDGET—SIMILAR CANADIAN ACTION

Mr. Gordon Ritchie (Dauphin): I have a question for the Minister of Finance. Bearing in mind the cuts which were made in rates of corporate and personal income taxes in the recent United Kingdom budget, is the minister considering following this example in his forthcoming budget?

Hon. E. J. Benson (Minister of Finance): I understand they intend to reform the British tax system to bring it more into line with the Canadian system.

ASSURANCE RESPECTING FORTHCOMING TAX CHANGES TO ASSIST OIL PRODUCERS IN AVOIDING EXPLORATION STAFF LAY-OFFS

Mr. Stan Schumacher (Palliser): I have a further question for the Minister of Finance, Mr. Speaker. Bearing in mind that Imperial Oil Limited is presently in the process of implementing a general staff reduction of at least 20 per cent with respect to its western Canadian exploration operations, can the minister offer any assurance that his forthcoming budgetary and tax changes will not contribute to a further decrease in employment in this vital sector of our economy?

[Mr. Forrestall.]

NATIONAL SECURITY

REPLACEMENT OF PUBLIC ORDER (TEMPORARY MEASURES) ACT BY PERMANENT LEGISLATION—REFERENCE TO COMMITTEE

Mr. John Gilbert (Broadview): I wish to direct my question to the Minister of Justice. Are the minister and his officials preparing legislation of a permanent nature to replace the Public Order (Temporary Measures) Act and, if not, is he of the opinion that the subject should be referred to a committee for special study and report?

Hon. John N. Turner (Minister of Justice): The government will be asking Parliament for some type of parliamentary action before long.

* * *

INDUSTRY

HOME OIL—SEVERANCE PAY FOR WORKERS IN CASE OF CHANGE OF OWNERSHIP

Mr. C. Terrence Murphy (Sault Ste. Marie): I have a question for the Minister of Energy, Mines and Resources. In view of the fact that seven vice-presidents and four other senior officers of Home Oil have been guaranteed two years severance pay if they are dismissed or retire in the event of a change in the ownership of that company, would the minister assure the House that under any negotiations he may carry on the ordinary workers of the company will receive the same benign terms?

* * *

AGRICULTURE

PROPOSED FARM ADJUSTMENT PROGRAM—REPRESENTATION FOR ORGANIZATIONS ON COMMITTEE

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the Minister of Agriculture. I directed this question to the minister on Monday and his parliamentary secretary took it as notice. It has to do with the meeting which was held between the minister and the Ministers of Agriculture for the various provinces last weekend and the directive emanating from that meeting that a committee would be set up to study proposed farm adjustment programs. Can the minister tell us the composition of the committee? Will the farm organizations be represented on it?

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, though we shall be consulting with the farm organizations. This committee will be reporting to a meeting of Deputy Ministers of Agriculture which is to be held in Ottawa, I believe on April 28.

INDUSTRY

AUTOMOBILES—UNITED STATES CUSTOMS COURT DECISION RECLASSIFYING CANADIAN-FORGED PARTS AS DUTIABLE

Mr. A. D. Hales (Wellington): I should like to direct a question to the Minister of Finance. In view of a decision by a United States customs court to reclassify Canadian-forged auto parts exported to the United States as dutiable material, and in view of the fact that Canada exports about $10 million worth of these parts every year, may I ask whether the minister is aware of this change involving the imposition of customs duties and, if so, whether he and members of his staff will take a close look at this most serious interpretation of the United States customs law since the United States-Canada auto pact was agreed upon?

Hon. E. J. Benson (Minister of Finance): Since this is such a serious matter I should like to take the question as notice.

* * *

FISHERIES

REPLACEMENT OF CHAIRMAN OF TASK FORCE ON SEAL HUNT

Mr. Walter C. Carter (St. John's West): This question is directed to the Minister of Fisheries and Forestry. In light of a statement made yesterday by Professor Ronald, the newly-appointed chairman of the federal task force set up to investigate the seal hunt, may I ask whether the minister is satisfied that Dr. Ronald is approaching his task with the necessary impartiality, or whether he intends to replace him?

Hon. Jack Davis (Minister of Fisheries and Forestry): Dr. Ronald is one of six eminent scientists and international humane society representatives who have been going to the seal hunt for a number of years. His opinion, and that of the other five, will certainly be listened to. He is an objective person and I believe we should listen to his views in this regard.

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): Bearing in mind the tremendous additional quantities of various species of fish which will be consumed by seals if the herds are allowed greatly to increase, will the minister tell us whether it is the policy of his department to let foreign ships take half of our fish stocks and allow the seals to eat the other half?

Some hon. Members: Oh, oh!

[*Later:*]

Mr. John Lundrigan (Gander-Twillingate): My question is supplementary to the one asked by the hon. member for St. John's West. Can the Minister of Fisheries and Forestry now respond to the question I directed to the Prime Minister yesterday? It was taken as notice by the

Prime Minister who undertook to direct it to the hon. gentleman's attention.

Mr. Davis: I do not have the question in front of me. Would the hon. member please repeat it?

Mr. Speaker: I hope the question is brief because we are running short of time. I was hoping to have time to recognize two or three other hon. members before calling orders of the day.

Mr. Lundrigan: I suspect the Prime Minister's promise was not made good, so perhaps I will wait until he has directed the question to the minister and ask for a reply tomorrow.

* * *

CANADIAN BROADCASTING CORPORATION

REQUEST FOR REPORT ON ALLEGED STRIKE OF PRODUCTION WORKERS

Mr. Mark Rose (Fraser Valley West): Thank you, Mr. Speaker, for recognizing me. I know it is difficult because I am surrounded by six-foot ex-basketball players. My question to the Minister of Labour or the Secretary of State concerns a strike of CBC production workers. Can either minister give us a report on the current situation? Is the CBC ready now to conduct meaningful negotiations?

Hon. Bryce Mackasey (Minister of Labour): I could answer the question a little more accurately, perhaps, if the hon. gentleman would inform me what strike is taking place at the present moment within the CBC.

Mr. Rose: A strike of production workers was called for one o'clock today, I understand.

Mr. Mackasey: I repeat, I know of no strike at the present moment within the CBC.

* * *

FINANCE

INCREASE IN CHARTERED BANK SERVICE CHARGES

Mr. J. G. Lind (Middlesex): In view of the fact that the chartered banks of Canada seem to practice collusion, I was wondering if we could ask the Minister of Consumer and Corporate Affairs and the Minister of Finance to entertain a little collusion and investigate the recent increase in service charges by the chartered banks, namely, the 50 per cent increase they have imposed on anybody who passes an N.S.F. cheque?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Partly at the instigation of my hon. friend, who has made very firm representations in this regard, the Prices and Incomes Commission is pursuing such an inquiry.

Inquiries of the Ministry

CONSUMER AFFAIRS

CANADIAN CONSUMER COUNCIL—CRITERIA USED IN APPOINTING PRESIDENT

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs further to a matter raised yesterday about the Canadian Consumer Council. In view of press statements alleging that the original president of the council was blessed with a total lack of knowledge of consumer problems, would the minister advise what criteria he uses in making appointments to the presidency of the council? Can he also say who the new president is and what qualifications, if any, he has for this position?

Mr. Speaker: I have some doubt that the question as asked is in order. If the minister wishes to reply to this question, I think he should do so by way of a statement on motions.

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LABOUR RELATIONS

DISPUTE BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—BREAKDOWN OF NEGOTIATIONS WITH CNR—STRIKE DEADLINE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Minister of Labour if, in fact, the negotiations with one of the railway companies, the CNR, have broken down and a strike dealine of April 5 has been set?

Hon. Bryce Mackasey (Minister of Labour): It is possible, Mr. Speaker, but I have not been notified officially of that and I am not in a position to reveal what I know from confidential sources. I have no way of verifying that publicly.

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GRAIN

PERCENTAGE OF VANCOUVER STORAGE CAPACITY FILLED AT BEGINNING OF RAILWAY WORK STOPPAGE

Mr. Cliff Downey (Battle River): Mr. Speaker, I should like to direct a question to the minister in charge of the Wheat Board. What percentage of the total storage capacity at Vancouver was filled at the beginning of the rail strike last week?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I will be glad to get exact figures for the hon. member. The amount of grain at Vancouver was at a fairly high level compared with what is considered a desirable operating level.

* * *

SOCIAL SECURITY

CONVENTION BETWEEN CANADA AND WEST GERMANY—AVAILABILITY OF PENSION CHEQUES TO CANADIANS OF GERMAN ORIGIN

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. In view of the fact that an answer given by the Minister of National Health and Welfare yesterday has created some concern, there being some question as to its accuracy, I wonder whether he has checked the matter and would care either to confirm or to correct his answer concerning the effective date of the agreement between Canada and West Germany regarding pensions?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, concerning the effective date for payments, if I left any misunderstanding I meant to say that payments would not be made until the convention was ratified. I do not anticipate the convention being ratified, at least by the West German Parliament, for perhaps six to eight months. I do not know whether or not that clears up the matter.

Mr. Knowles (Winnipeg North Centre): So the effective date is not now but six months hence?

• (3:10 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Tuesday, March 30, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: Order, please. When the committee rose last evening clause 14 of the bill was being considered.

On clause 14—*Establishment of Ministries of State.*

Mr. Diefenbaker: Mr. Chairman, if it should be acceptable to the committee, I would suggest that I be permitted to deal not only with ministries of state but also the next clause which deals with parliamentary secretaries so that there will be no repetition. Unless an objection is raised, I shall follow that course.

The Chairman: Members of the committee have heard the suggestion of the right hon. gentleman. I would think there would have to be unanimous consent to permit the right hon. gentleman to deal with both parts in his speech. Is there such consent?

Some hon. Members: Agreed.

Mr. Diefenbaker: Sir, as I look over these clauses I can only conclude that the Liberal members will be choosing as their song "Roll Out The Barrel". Over the years there has never been a case that has equalled these particular clauses in respect of the interest they provide for members of the Liberal party. Indeed that is understandable, because if this bill becomes the law of the land and the

increases take place in the field of ministries of state and parliamentary secretaries, since these appointments are for a two-year period 110 of 155 Liberal members will have held a position of some kind from cabinet minister to minister of state to parliamentary secretary. In other words, this Parliament will be dominated by those who hold positions within the pay of the country, over and above their indemnity as members. That can only be destructive of the basic principle of the independence of Parliament.

I am very much concerned about this legislation. It is in the Prime Minister's name, but for some reason the Prime Minister does not see fit to be present when discussions are taking place in respect of a matter which is dangerous to the whole concept of parliamentary sovereignty. I shall begin, Sir, by referring to the revelation made the other evening by the Parliamentary Secretary to the Prime Minister when, in answer to a matter raised by the hon. member for Halifax-East Hants, he said that "the bill gives flexibility and raises a dilemma concerning how much debate we can stand". I have left out some of the additional words. That is the attitude of this government; Parliament is to be subject to flexibility which has become a synonym for political patronage. This action is being taken in order to keep in line back bench members in supporting the government. There can be no other reason for such anxiety to get this legislation through, which is described as being urgent. Parliament is being bamboozled with the introduction of this type of legislation. We want action taken in respect of pollution, but in order to secure that action, in my opinion Parliament is asked to itself to engage in pollution.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: In other words, Parliament is being asked to provide jobs for hungry members who are desirous of holding some title or place, not forgetting that various amounts up to $15,000, in the case of ministers of state, will be available. There is every opportunity to appoint ministers without portfolio, but to positions only paying $10,000, and therefore the government decided it would set up another group known as ministers of state.

Then, so far as parliamentary secretaries are concerned, they believe it will not be long before the amount payable to them may be expected to be increased. Last evening the hon. member for Carleton-Charlotte condemned this joining together of legislation that Parliament wants with mercenary provisions like this which must be recognized as being a raid on the public treasury for the benefit of a majority. Why is this course taken? Why is Parliament to be treated in this way? Everything is in this particular bill but the kitchen sink!

But there are two provisions in the bill, in this clause and the following one, that possess an unusual attraction for those who up to the present have not had that preferment that they had hoped to have. When I look at this bill, I can understand full well how the Prime Minister and some of his ministers must have laughed with cynicism when it was before the cabinet—"Watch us; we can get away with it." At a time when there are hundreds of thousands of people out of employment because of the actions of this government, for members of Parliament to join in increasing their opportunities for service at higher rates of pay is something that cannot be justified.

There are so many hon. members opposite just waiting in the wings. I watch them, Mr. Chairman. But the hon. member for East York is not in their number. He is in the dog house, and the numbers occupying that position are increasing with the passing days. Others look with hope and expectation, and I am just wondering whether or not the provisions of Standing Order 11 may have some application. That Standing Order reads:

> No member is entitled to vote upon any question in which he has a direct pecuniary interest, and the vote of any member so interested will be disallowed.

You are fortunate, Mr. Chairman, that you do not have to determine this. If perchance that rule is in effect, this bill will be defeated. You can be absolutely sure of that, because as I look over and watch these hopefuls I conclude that even with the increase in positions which this will provide, where 70 per cent of the government members will hold positions of this kind, unless that 70 per cent were voting for it this bill would not pass the House.

I ask myself why is Parliament being treated in this way? I am disquieted by this type of legislation. It is dangerous to the maintenance of Parliament itself when a government has a majoriy and, being afraid to introduce these two clauses, with provision for ministers of state and an increase in parliamentary secretaries by way of separate amendments to existing legislation, it throws them into a hopper and says Parliament must accept all the bill whether we agree with these provisions or not.

This bill has all the hallmarks of the dictatorship of the majority. I am not going to use the type of language which is now passable in Parliament—I am not used to using words of that type. However, this bill is a fraud and a political swindle on the institution of Parliament, and it cannot be justified in any way. It is designed to place private members supporting the government in a position where they dare not speak out, where they dare not have their own opinions, as four or five of them have had, including the hon. member for East York to whom I have alluded. They dare not speak out because in doing so they will commit suicide. The sword of Damocles is over the head of every member of the Liberal party who dares to take a stand that the government does not like.

This is pushing Parliament around. Sir, I know that skullduggery has been practised for years. This deed of endeavouring to force members of the House to vote for that which they do not want in order to get that which they do, makes a caricature of Parliament. This is legislation that constitutes a squalid subjugation of this institution. I have watched Parliament for a long while. I have a deep regard and affection for this institution. I saw parliament in the darkest days of war but, Sir, in the last two or three years it has been downgraded and degraded for one purpose only, as the hon. member for Pembina said when speaking on this matter, and that is to control the thought of Parliament because the government has a

majority. It is placing shackles, bridles and fetters on this House. It is a dangerous bill.

The Prime Minister does not stay in this House when introducing his own bill. Even his parliamentary secretary is not here. On a bill of such importance, to which the Prime Minister placed his own name, it is difficult to understand why he is not here.

The explanation for what is being done is that it will provide flexibility and efficiency. This causes me to quote the words of Voltaire, who was referred to by the Prime Minister the other day, and who said, "There are some men who use thought only to justify their wrong doings, and speak only to conceal their thoughts." That is what is happening here. The Prime Minister recently indicated that the statesman with whom he felt the greatest affinity was Machiavelli. I have in my hand a volume called "Machiavelli The Prince". The Minister of Justice is looking at the picture on it and he will see that it bears a striking physical affinity to his leader's appearance. In fact, if it were not for the identification and the fact that this is a picture of a death mask, frequent mistakes would be made by those who look at it.

• (3:20 p.m.)

When a political philosopher receives the approval of the Prime Minister, it is interesting to read some of the observations. This is a Penguin Classic book, and I am sure all hon. members will want to get it. At page 91 I find this:

> The fact is that a man who wants to act virtuously in every way necessarily comes to grief among so many who are not virtuous. Therefore, if a prince wants to maintain his rule he must learn how not to be virtuous, and to make use of this or not according to need.

Then, I shall read this part:

> —he should not deviate from what is good, if that is possible, but he should know how to do evil, if that is necessary.

Here is another quotation:

> —a prudent ruler cannot, and should not, honour his word when it places him at a disadvantage and when the reasons for which he made his promise no longer exist—a prince will never lack good excuses to colour his bad faith. One could give innumerable modern instances of this, showing how many pacts and promises have been made null and void by the bad faith of princes:—one must know how to colour one's actions—Men are so simple, and so much creatures of circumstances, that the deceiver will always find someone ready to be deceived.

The cabinet deserves to be mentioned and Machiavelli says:

> —a shrewd prince should adopt a middle way, choosing wise men for his government—

Apparently, the Prime Minister did not follow that principle.

> —allowing only those the freedom to speak the truth to him, and then only concerning matters on which he asks their opinion, and nothing else.

Some hon. Members: Hear, hear!

[Mr. Diefenbaker.]

Mr. Diefenbaker: There are many other good statements here which indicate a dangerous philosophy. Here is another:

> How princes should honour their word—praiseworthy it is for a prince to honour his word and to be straightforward rather than crafty in his dealings; nonetheless contemporary experience shows that princes who have achieved great things have been those who have given their word lightly, who have known how to trick men with their cunning, and who, in the end, have overcome those abiding by honest principles.

The Chairman: Order, please. I regret that I must interrupt the right hon. gentleman. I only do so to advise him that his time has expired.

Some hon. Members: Carry on.

The Chairman: The right hon. gentleman may continue with the consent of the committee. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

The Chairman: There is no consent.

An hon. Member: Who said no?

The Chairman: I might say to members of the committee that it is very difficult for the Chair to ascertain whether there is consent when I hear negative voices. I am prepared to put the question again. Is there consent—

Some hon. Members: Agreed.

The Chairman: Order, please. Is there consent for the right hon. gentleman to continue?

Some hon. Members: No.

Some hon. Members: Agreed.

The Chairman: There is no consent.

Mr. MacInnis: On a point of order, Mr. Chairman, I draw the attention of the Chair to the fact that the "no" from that side of the House came from behind the curtain. No member standing behind the curtain is entitled to voice an opinion.

Some hon. Members: Order, order!

The Chairman: Order, please. The hon. member for Hamilton West.

Mr. Alexander: I was going to bring that matter to your notice, Mr. Chairman. I think it is extremely important at this time to note that the Minister of Justice, in his wisdom, has indicated on behalf of his party that there is general agreement for the right hon. gentleman to continue. I would hope that the Chair has noted that and will appreciate the significance of it.

Mr. Turner (Ottawa-Carleton): On a point of order, Mr. Chairman. When the unanimous consent of the House is involved I have no more right than anybody else in the chamber but I understood, as did the House Leader, that there was general agreement within this chamber for the right hon. gentleman to continue.

The Chairman: Order, please. The Chair must follow Standing Orders. I put the question twice, and certainly I have no discretion. The Standing Order says there must be consent, and there was not unanimous consent. On the point of order raised by the hon. member for Cape Breton-East Richmond, the Chair heard the negative opinion from within the chamber.

Mr. Diefenbaker: That is right.

Some hon. Members: Shame, shame!

An hon. Member: They don't like the truth.

Mr. Douglas: Mr. Chairman, I think it is unfortunate that some members on the government side were not prepared to give unanimous consent to allow the right hon. member for Prince Albert to complete his remarks. He has long experience in this House and we are discussing a very important matter.

An hon. Member: Same old gang!

Some hon. Members: Hear, hear!

Mr. Douglas: I think, instead of trying to cut off the discussion, some members on the other side of the House ought to be seized of the importance of this question and should be trying to get all the information they can on it. I submit to the gentlemen opposite that this section which we are now discussing, part IV of this Bill C-207, is one of the most crucial questions we will discuss in this session of Parliament.

Some hon. Members: Hear, hear!

Mr. Douglas: I would have hoped that private members on the other side of the House would not only have wanted to listen to the right hon. member for Prince Albert but would have wanted to take a—

Mr. Drury: A point of order, Mr. Chairman. On a number of occasions the hon. gentleman who has just been speaking has made reference to the opposition of gentlemen on this side of the House to allowing the right hon. member for Prince Albert to continue his speech. This is an unsupported and unsubstantiated charge,—

Some hon. Members: No, no!

An hon. Member: You are reflecting on the Chair; apologize.

Mr. Drury: —and I would hope that the hon. member for Nanaimo-Cowichan-The Islands would limit his observations to the lack of unanimity, without trying in a substantial way to ascribe it either to one side of the House or the other.

Mr. Douglas: On a point of order, Mr. Chairman, if the President of the Treasury Board thinks there is any doubt as to where the opposition to allowing the right hon. member for Prince Albert to proceed came from, then I suggest that you should poll the committee. There will then be no doubt about the place from which the opposition came.

Some hon. Members: Hear, hear!

Some hon. Members: Agreed.

Mr. Douglas: I have the floor and I am still on a point of order. The President of the Treasury Board may run the government, but he is not going to start running this committee.

Some hon. Members: Hear, hear!

• (3:30 p.m.)

The Chairman: Order, please. Will the hon. member for Nanaimo-Cowichan-The Islands kindly resume his seat. I merely want to ask whether he is still speaking on the point of order raised by the President of the Treasury Board?

Mr. Douglas: Mr. Chairman, since the right hon. member for Prince Albert may wish to speak, and since I have spoken for several minutes, I am prepared to surrender the floor to him and to take part in the debate later.

Some hon. Members: Hear, hear!

Mr. Drury: Mr. Chairman, I suggest that members on this side are fully agreeable to confirming your understanding by polling the chamber.

Some hon. Members: Oh, oh.

The Chairman: Order, please. The Chair, with respect, must say to the hon. member for Nanaimo-Cowichan-The Islands and to the President of the Treasury Board that the Chair takes the position we must follow the Standing Orders. I indicated to hon. members, when a question was raised on the point of order, that I heard a negative voice after I had asked for unanimous consent. I did not indicate from what part of the chamber I heard it, and I am not now prepared to indicate that. I merely indicated that there was not unanimous consent and I am not prepared, because so far as I know there is no provision for this in the Standing Orders, to poll the committee. The hon. member for Nanaimo-Cowichan-The Islands.

Mr. Douglas: Mr. Chairman, if the right hon. member for Prince Albert does not want to proceed at this time, he will without a doubt, take the opportunity to intervene later in the debate. I want to say that this provision for the establishment of ministries of state is a further erosion of the powers of Parliament.

Mr. Diefenbaker: Absolutely.

Mr. Douglas: Here is a provision which says—

Mr. Osler: That is what they did in Manitoba.

Mr. Douglas: If the hon. member wants to make a speech, he will have the opportunity to do so. I invite him to take part in the debate and to make a speech, but to please keep quiet while I am making my speech.

Some hon. Members: Oh, oh.

Mr. Douglas: I suggest that the hon. member should remain seated, even though that gives him concussion of the brain. I suggest that he sit where he now is.

Clause 14 reads:

Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada warrant the establishment for the time being of a special portion of the public service of Canada presided over by a Minister charged with responsibility for the formulation and development of such policies, the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

I underline the words "developing new and comprehensive policies". This clause gives to the cabinet the power to set up what are, to all intents and purposes under this proposed legislation, temporary departments. Clause 15 reads:

A proclamation establishing a Ministry of State shall

(a) state the name of the Ministry;

(b) specify the matter or matters in relation to which the Minister for the Ministry is to formulate and develop policies; and

(c) specify the powers, duties and functions to be assigned to the Minister for the Ministry in relation to the formulation and development of those policies.

I draw the attention of the committee to these words in subclause (c), "specify the powers, duties and functions to be assigned to the Minister". I also draw the committee's attention to clause 21, which reads:

In addition to the powers, duties and functions specified in the proclamation establishing a Ministry of State, the powers, duties and functions of the Minister for that Ministry extend to and include such other matters as are assigned or transferred to the Minister or the Ministry by or pursuant to any Act of the Parliament of Canada.

That clause provides that the cabinet has power to determine the powers, duties and functions of a department which is to be established as a ministry of state. It has the authority to extend those powers and give additional areas of jurisdiction to a minister of state. It has the power to end such a department at any time, without reference to Parliament and without any reference to any statute on the statute books of Canada.

When the Canadian Labour Congress appeared before the government to present its annual brief a few weeks ago, the Minister without Portfolio in charge of housing suggested to the delegation that the whole question of housing could be speeded up if Parliament passed Bill C-207, so that a ministry of state could be established for housing and urban affairs. I am not in a position to know whether the Prime Minister intends to establish a ministry of state for housing and urban affairs although, certainly, the statement of the Minister without Portfolio to the CLC delegation gives one reason to believe that that is the government's intention.

What does that mean, Mr. Chairman? Is a ministry of state dealing with housing and urban affairs within the terms of reference of the words of clause 14 that I shall now quote:

—developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada—

Does this mean that the government is now asking Parliament for the authority to set up, by order in council and by proclamation, a department of housing and urban affairs, without any reference to Parliament and without giving Parliament the opportunity to discuss the duties to be allocated to the minister, the powers given to the ministry of state and the jurisdiction which the minister of state will have?

A ministry of housing and urban affairs is not a temporary measure dealing with new and comprehensive policies. It is the kind of department that ought to be permanent. It is a department that will probably function as long as there are problems in housing and problems relating to urban affairs. Yet here the government is asking for authority, without referring to Parliament and merely by proclamation, to set up such a department, to extend the powers of that department and, when it deems it advisable, to end that department. Parliament is not to have any opportunity whatsoever to discuss the matter. Mr. Chairman, this is an amazing attitude for the government to take.

Mr. Diefenbaker: It is scandalous.

Mr. Douglas: It is nothing short of scandalous that the government should ask for the power to set up departments of government without referring to the Parliament of Canada and to the elected representatives of the people the matter of what areas of jurisdiction should be available to such a department, what powers it should exercise and what duties shall be prescribed for the minister in question. Actually, this government has been consistently endeavouring to erode the powers of parliament. Already the control of the purse strings has largely passed out of the hands of Parliament. Estimates go to committees. There is no opportunity in the House except for a vote. It is true that a member may specify a particular item on which he wants a vote taken, but there is no opportunity for discussion. The control of the purse strings is increasingly slipping out of the hands of the elected representatives.

• (3:40 p.m.)

We are now asked to go one step further and give the cabinet the stupendous power to set up departments of government with sweeping powers. We are asked to give the government that right without any recourse to Parliament whatsoever. The President of the Treasury Board says that this is necessary in order to have a flexible response. I say that this request for a flexible response is

merely a subterfuge for asking for extraordinary and unparliamentary powers.

Some hon. Members: Hear, hear!

Mr. Douglas: The fact is that technocrats, and I certainly include the President of the Treasury Board in that class, tend to become autocrats. They have little or no appreciation or understanding of the parliamentary process in a democratic society. If giving these sweeping powers to the cabinet is going to make for greater efficiency, it is logical to argue that Parliament be sent home, then, the President of the Treasury Board and the other technocrats could run the whole government of Canada. I say to members opposite that this steady and continuous erosion of the powers of the elected representatives and ignoring the role of Parliament in our democratic system is something they will live to regret.

Some hon. Members: Hear, hear!

Mr. Douglas: Many articles have been written in recent months pointing out that the Prime Minister of Canada is moving more and more toward a presidential system and that increasing powers are being vested in the hands of the Prime Minister. It is no longer a case of *prima interpares*. It is a case of one man seeking to exercise more and more power at the expense of Parliament.

It is significant that the Prime Minister, who is sponsoring this bill, is not even here. When I asked him a few weeks ago if he would undertake to be present when we were discussing these particular sections, he said he would be here. He is not here. He, alone, is in a position to say to Parliament why he wants these extraordinary powers, the use he intends to make of them, what ministers of state he intends to appoint and what particular functions will be given to these ministries of state. He ought to be able to tell us whether these ministries of state will deal with temporary problems or whether he intends to use the powers in this bill to set up virtually permanent departments, such as a ministry of housing and urban affairs. Housing and urban affairs is not a temporary matter. If the government sets up a ministry of housing and urban affairs, I serve notice that in my opinion it will be a complete violation of clause 14 in Part IV of this bill.

The fact that the Prime Minister completely ignores the committee of the whole, has taken no part in the debate and has not seen fit in any of the preceding stages to outline the reasons for seeking powers which have never been granted to any Prime Minister in the history of Canada, indicates a contempt for Parliament. That contempt has not only been indicated by his absence from this committee, but it has been indicated by a number of actions which he has taken. As a matter of fact, in any democratic country, not even the president has the authority to allocate powers and duties unless such action is based on statutes enacted by the elected representatives.

In the United States, a cabinet minister has to be ratified by congress. The department over which any cabinet minister presides is based on statutes passed by congress. He exercises powers which have been approved and passed by congress.

Mr. Drury: Do you want to move to the presidential system?

Mr. Douglas: No, I am not suggesting that we move to the presidential system. What I am saying to the President of the Treasury Board is that we are in great danger of getting the worst features of both. We are going to get the presidential system without the controls and power to exercise restraint which are available to te United States congress. We will have neither the benefits of the Parliamentary system nor the restricted measures and restraints of the United States Congress.

This legislation is being rammed through the House. Opposition protests are being ignored with respect to the matter of setting up ministries of state. In the main, the government members have remained silent. We have heard no protests from them.

An hon. Member: They want a piece of the action.

Mr. Douglas: I suppose many of them hope to be appointed ministers of state or parliamentary secretaries. This committee would do well to stop and think of the long-term repercussions which will evolve from the step we are now being asked to take. The government wants to have a flexible response. There is certainly a case to be made for being able to deal with certain matters and to have certain ministers allocated to deal with specific problems. The government has the power to appoint ministers without portfolio and to give them specific jobs to do.

We have been asking for a long time that a department of housing and urban affairs be established. The government can bring in legislation to set up such a department. This would enable the members of this House to discuss the role of such a department, the powers that would be given to it and the duties of the minister in charge of the department. That would be the proper way to do it. However, when the government asks for the power to set up a department of housing and urban affairs or any other department on its own initiative on the subterfuge that this is merely a temporary organization, the government is seeking in a round about way to bypass Parliament and to nullify the powers of Parliament.

Some hon. Members: Hear, hear!

Mr. Douglas: On this question, members in all parts of the House have a serious responsibility to look into the long-term effects of this measure and to speak out on them. As the powers of Parliament are curtailed and as the voice of the elected representatives is muzzled, so the democratic process suffers.

• (3:50 p.m.)

We might as well face the fact, Mr. Chairman, that there is a growing body of opinion among youth today that parliamentary democracy is irrelevant; that the parliamentary system has had its day. I do not believe that.

I believe that the parliamentary system is one of the best systems that has ever been evolved to enable free men and women to have a voice in governing themselves. But if its elected representatives are to have less and less power, if they are increasingly to become rubber stamps, if they are merely to be brought together to vote for or against non-confidence motions and to ram through estimates on the last prescribed day, then Parliament and its reputation will suffer and a great many of the rising generation will be looking to other methods of governing this country.

This provision is a retrograde step. It is something that the government does not need. If the government wants ministers to deal with specific problems, then it has the authority to appoint ministers without portfolio, if the government needs to set up additional departments, such as a department of housing and urban affairs, then Parliament will support the government. Indeed, I think all parties in the House have at different times urged the government to set up a department of housing and urban affairs. Certainly, the Mayors and Municipalities Association of Canada has been urging this for years.

The government does not have to take this action through the back door, and I should like to ask why it is using this method. Is it because the type of legislation that it has in mind is such that it thinks the House will object to it? Or is it going to be such a piece of window dressing that a ministry of state will be created with virtually no power to be more than a sort of study group to give the Canadian people the impression something is being done when, in fact, the government does not intend such a ministry to do anything at all? I hope that the President of the Treasury Board will tell this committee the reason the government is adopting this method. If the government does want to set up a department of housing and urban affairs, I ask the President of the Treasury Board why it does not bring in a bill to set up such a department.

The Chairman: Order. I regret to interrupt the hon. member but I do so to advise him that his time has expired.

Some hon. Members: Carry on.

The Chairman: The hon. member may continue with the consent of the committee. Is there such consent?

Some hon. Members: Agreed.

Some hon. Members: No.

The Chairman: I do not hear unanimous consent. The hon. member for Lotbinière.

Mr. Drury: That came from behind you, John.

Mr. Diefenbaker: No, it did not.

The Chairman: Order, please. The Chair has recognized the hon. member for Lotbinière.

[*Translation*]

Mr. Fortin: Mr. Chairman, we are currently studying Part IV of the act respecting the organization of the government of Canada and matters related or incidental thereto.

According to Clause 14, the government proposes to establish ministries of state which would handle various matters.

When perusing the legislation, one starts wondering what these matters are and why should a ministry of state be established. Clause 14 provides that ministries of state will be created. We therefore have to find in the bill in which specific areas the government intends acting in order to justify the creation of a department or a ministry and the appointment of a minister of state.

The answer to this basic question does not appear in the bill, nor is it mentioned in the government's statements, or those of the right hon. Prime Minister (Mr. Trudeau), because, at any rate, even if he is the sponsor of the bill he does not dare pilot it himself.

It is therefore nearly impossible for the opposition to find out why the government wants to create these new ministries of state. We must be satisfied with what is written, trying to justify honestly the establishment of these ministries.

Therefore, I would like to make a detailed study of some clauses of this bill. The questions I ask myself and that I want to ask my hon. colleagues are as follows: What definite fields will be covered by the ministries of state? Who will create them? And finally, whose authority will these ministries of state come under? Who will they be under? The government or parliament?

Therefore, I would like to study immediately clause 14 which states:

• (4:00 p.m.)

> Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada warrant the establishment for the time being of a special portion of the public sevice of Canada presided over by a Minister . . .

This is the reason why the government wants to create a ministry of state. For some reason or other the governor in council will create a ministry of state in order to deal with a problem or to make some study.

Mr. Chairman, this reason means nothing, of course. It is simply a legal jumble which justifies nothing, explains nothing and does not say why a ministry of state will be created.

Mr. Chairman, I doubt then that we are justified in creating ministries of state. We are not opposed in principle and we expect it to be clearly understood. However, we would like to know what the duties of these ministries of state will be, why they will be set up and under what circumstances.

Let us assume for instance that a serious housing crisis exist all across Canada—such as the one now prevailing—and reflects unfavourably on the government in the public opinion. Let us assume that such a crisis is prejudicial to the government; let us assume that there is a very urgent need for a change in housing policy, that the

government is in danger of losing ground and of being brought to bay.

A similar situation could also prevail with respect to taxation.

The same could be said, for instance, of unemployment and of summer jobs for students, whom the government is unable to supply with summer jobs. It is merely applying poultices to wooden legs, palliatives which do not solve the real problem but seek to make people forget about it.

The government therefore, in order to mask its inefficiency and put people off, could announce, with a fine fanfare of publicity, of course well nourished by the mass media, the creation of a ministry of state headed by a minister without portfolio, to concentrate exclusively on the problem of summer jobs for students, or on student problems in general, or on housing, or on any other problem.

This does not mean that the problem would thus be solved. As a matter of fact, it simply means that to escape the storm, the government is using the ostrich policy, that is, it is hiding its head in the sand.

The government does not justify the establishment of this ministry of state, but in creating it, it tries to find a way to hide is incompetence, its apathy, its lethargy and its lack of action in a given field.

If hon. members on the treasury benches do not agree, I should like them to show me the provisions of the bill which assure them that such a ministry will not make unwarranted expenditures.

Of course the expenditure of public money is justified to the extent that we really want to face a special problem, and this with appropriate tools.

Mr. Chairman, today the government would have parliament grant a special power to the cabinet, that is appointing at will up to a maximum of five state ministers, and this for purposes and in circumstances which are not defined.

Mr. Chairman, having read the first part of clause 14, I must simply conclude that this is an ostrich policy. Moreover, as those who spoke before me said, this is a policy quite typical of the Trudeau government: the disintegration of the executive and legislative in order to crush the supreme institution likely to ensure the defence of Canadian people, that is parliament. This is a new way to cursh parliament, by granting the cabinet enlarged powers, without applying nor having to report to parliament.

I will go on with my quotation of clause 14 which stipulates that ministries of state will be established, for reasons that are not given, and that they will be headed by a minister of state.

The clause states, and I quote:

—charged with responsibility for the formulation and development of such policies, the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

Not only will parliament not be able to advise the government to establish a ministry or state nor to ask for its establishment, but the government will not even be required to ask for the consent of parliament for this purpose.

Thefore, an extraordinary power is thus given to the executive, independently of the people's will and of their supreme protective agency, parliament.

Mr. Chairman, this kind of politics cannot be justified in any way unless we understand that we are considering the policies applied by this government over the last two years, which are unilateral policies showing utmost disregard for the wishes and requests of parliament and which, I must unfortunately admit, are initiated against the hon. members' wishes.

This shows how much this government mocks the House of Commons and reviles its power. It shows to what extent under the present government the executive attempts once more—and this time it is once too many—to crush the legislative power.

In Canada there are three separate powers which are all of equal importance: the judiciary, the legislative and the executive power. It is clearly understood that these powers can be exercised on the condition that the executive does not wield legislative and judiciary powers.

Mr. Chairman, all will recognize that from the moment the executive attempts to dictate some rules or guidelines to the judiciary, then justice is not justice anymore because it is directly dependent on the executive power. He who is judged cannot expect from justice that it be equitable; he can only hope to avoid the disfavour of the executive power which is ready to grind him. The judiciary system cannot operate normally if the executive power tries to control it.

The same applies to the relationship that must exist between te legislative and executive powers. If the executive attempts, one way or another, to assume or limit the rights of the legislative authority, or to ignore them, we come to the establishment of a dictatorship. It is a one-sided decision. The people, through their representatives, have no longer a voice in the administration of public affairs.

Those are the ones, Mr. Chairman, who will say to the people at the next election: "My dear friends, give us your opinion; the Liberal government has come up with a new way of asking the advice of the people, that is through white papers. Let us know your views, be really democrats, take part in the economic and political lives of your country at the decision-making level.

Mr. Chairman, this cannot be true. It is only bunkum, if the executive power crushes, as it is actually doing, the legislative power, that is parliament.

We cannot really live in a democratic country as Canada, Mr. Chairman, and thoroughly apply to the system unless the three main Canadian powers respect each other.

Mr. Chairman, I believe the legislative power is ready to respect the executive and judiciary powers and that the judiciary power is willing to respect the executive and legislative powers. But most unfortunately, one cannot honestly say that the executive power respects the legislative power.

Mr. Chairman, not only is the creation of those ministries of state unjustified but to make matters worse, the duties of the ministers to be appointed at the head of those ministries are not clearly outlined. And in that respect I shall quote clause 21:

In addition to the powers, duties and functions specified in the proclamation establishing a Ministry of State, the powers, duties and functions of the Minister for that Ministry—

One should give great attention to this part because the duties of that minister will be defined here, and I quote:

—the powers, duties and functions of the Minister for that Ministry extend to and include such other matters as are assigned or transferred to the Minister or the Ministry by or pursuant to any Act of the Parliament of Canada.

Therefore, this means nothing. It is once more the same legal mess which is found in clause 14 of the same part of the legislation. In fact, the more you study this legislation, the less you can justify the setting up of these ministries of state. But, if you put yourself in the place of the government members, you have two reasons to support this bill: Either you do not believe anymore in the legislative power and you are willing to increase that of the executive or you intend, through this indirect means, to increase your salary.

Mr. Chairman, I am quite shocked that there are not more government members to state their opinions on this subject. These members have the same rights and the same privileges as all opposition members and I cannot quite explain to myself why the latter alone feel they have to take advantage of their privileges to defend the rights of Parliament.

Mr. Chairman, I should like to call the attention of the government members to that point. I should like to ask the minister who is piloting the bill in the absence of the Prime Minister, what is the reason for the establishment of these ministries and ministers of state. I should like him to tell us what he intends to do and to what extent Parliament stands protected under Part IV of the bill.

There are many ways in which Parliament can be protected. First of all, the discretionary power that the Prime Minister is seeking under this legislation, that is authority to appoint ministers of state without consultating Parliament, should be curtailed. Nowhere in this bill can there be found a clause or phrase prescribing that the government shall consult Parliament concerning the establishment of some ministry of state or the appointment of some minister of state. Nowhere is it stated that the execuive shall consult Parliament or that the ministry of state shall have to report to Parliament.

It is rather curious to realize that under the law many Crown corporations and many departments have to make a yearly report to the government on the administration of public funds, and yet those ministries of state would be excluded.

The ministers of state would not even have to be responsible to Parliament. Were we to carry to extremes the implementation of that system, even the ministers of state could refuse to answer questions which members of the opposition could direct to them on certain matters relating to the administration of those ministries of state.

[Mr. Fortin.]

Once one starts to play with those powers, to crush the legislative power, to push it aside for the benefit of the executive power, one realizes that it is no longer possible for democracy to survive and the situation does not make sense any more.

Mr. Chairman, I strongly object to part IV of the legislation which the right hon. Prime Minister did not have the courage to come and defend in the House, although he is the mover. I am strongly against that part of the bill because it is unjustified and no reason is given for the expense of public money. Above all, it will not solve anything. Judging from their accomplishments, there are already too many departments and ministries of state.

What results can we observe? Someone is designated as Postmaster General and one year later he is dismissed. A year after a new Post Office Department is established in a sort of crazy game. In the meantime, people may be amused but the problems are certainly not solved.

If, at least, through part IV of the bill, the problem of existing destitution in the midst of abundance in Canada were solved, if at least the people of Canada were given the assurance that they could live secure and free, the bill would be useful.

Unfortunately, part IV does not deal with the commonwealth, the well-being of the individuals. Nowhere in part IV is the problem of unemployment, of welfare, of the young dealt with. There is only talk of appointing ministers of state. Why? To increase the salaries of government members in a disguised way, without having to answer to the people, in addition to giving the cabinet more power to crush parliament which has become the only institution really capable of protecting the people from this government which tramples them through its policies as well as the methods it uses.

Mr. Chairman, if at least, through part IV dealing with the setting up of ministries and the appointment of ministers of state, the people could be sure that they would be better protected, we could discuss the bill more easily.

• (4:10 p.m.)

[*English*]

The Chairman: Order, please. I regret very much to interrupt the hon. member. I do so to advise him and the committee that his time has expired.

Mr. Knowles (Winnipeg North Centre): Continue.

The Chairman: The hon. member may continue if there is unanimous consent.

Some hon. Members: Agreed.

An hon. Member: No.

The Chairman: There is not consent.

Mr. Boulanger: On a point of order, Mr. Chairman, I think you misunderstood. I believe we agreed he could continue.

Mr. Ricard: On the point of order, Mr. Chairman, I wish to draw to your attention that there was a "no" which came from that side of the House.

The Chairman: With respect, the Chair might say to all members of the committee that I hope we do not have repetitions—

Mr. Diefenbaker: The member for York-Simcoe was the one who said no".

The Chairman: Order, please. May the Chair say on the point of order that when there is not consent the Chair can hear a negative expression. The Chair is bound by Standing Orders and I would say impartially that I hope hon. members will not feel they have to point out to the Chair on occasion, from either side of the House, that there is not consent.

The hon. member for Red Deer.

Mr. Thompson: Mr. Chairman, it is not an easy task to participate in this debate. I say that because it is obvious from the refusal of members of the government, as evidenced now by the hon. member for York, to grant the normal courtesy that is given to members of this House to complete their statements. Obviously, even the government backbenchers are not interested in listening to intelligent debate on this bill. They go so far as to bar the right hon. member for Prince Albert and the Leader of the New Democratic Party from that courtesy. One wonders what is the use of participating at all. We seem to be talking to deaf ears. Perhaps the members of the government are not interested. Even if they are interested, it is obvious that they do not want to hear the legitimate views of those who might be opposed to some parts of the bill we are considering at the present time.

I say also, Mr. Chairman, it is difficult to participate in this debate when the Prime Minister, who obviously considered the bill important enough to sponsor it, does not appear in the House at any time when it is being debated. Indeed, we do not even see his parliamentary secretary on this occasion. So as a result we are, so to speak, talking to the wind. There is not very much hope that one could present an argument to which someone would listen, and in respect of which one would receive the type of encouragement which would indicate that perhaps an interesting consideration is taking place in respect of the contents of this bill.

Having said that, I share the concern expressed here this afternoon by those who have preceded me and those who have spoken at other times in this debate. In fact, I must say—and I have thoughtfully considered what might be an appropriate adjective here, so I do not use it lightly—that this is the most deceptive piece of legislation I have ever had to deal with in this House or that this government has ever presented because its real result will be far more sinister—yes, that is the word—so far as the parliamentary process is concerned than most of us in this House even realize or understand.

If the only aim of this legislation were to increase the number of ministers and parliamentary secretaries, that might be one thing; but actually that is only one aspect of what this bill will do. In the few minutes I have at my disposal I shall attempt to show that it also erodes the very fibre of what this institution is. Considering the attitude of so many young people, and others not so young, toward this institution we should be asking ourselves every day what we are doing to strengthen this institution and not to weaken it? This should be the basic purpose, not only of those in Her Majesty's Loyal Opposition but of those who support the government. I am concerned, and this is why I use such adjectives as "deceptive" and "sinister", because I see a further degrading and eroding of the place of Parliament in what I consider to be the most satisfactory way that man has devised to govern himself.

• (4:20 p.m.)

I want to point to just a few of the anomalies in the bill. It is not just a question that the government does not define what an enlarged cabinet will do, with particular reference to ministers of state. It is not just the question that the powers of Parliament are being eroded. There is also the question that the whole bureaucratic administration of government is being strengthened, is becoming more difficult to manage and, so far as the representatives of the people are concerned, is becoming more dangerous. I believe that Canada is the most over-governed country in the world. We have three levels of government, municipal, provincial and federal, and when we talk about government we have to consider all three levels. I know of no better way to emphasize this point than to say that if we were to add the total expenditures of all levels of government together, and then deduct from that total the various transfers that take place between those levels of government and compare those expenditures with the net national income of the Canadian people, that national income being what they earn through salaries, through dividends, through commissions, through the sale of their produce, and whatever other income they may have, we find that it costs Canadians approximately 47 cents out of every dollar they earn to govern themselves. That calculation is relevant here, Mr. Chairman, because this bill will increase the size of the bureaucratic aspect of government at the federal level.

Let us look briefly at the present situation. There are 155 government members in the House. The cabinet is made up of 29 members, including the Prime Minister and three ministers without portfolio. It is the largest cabinet we have ever had in Canada. There are 16 parliamentary secretaries. There is an assistant speaker; there is a whip and an assistant whip. There is a vice-president of the House committees, and there is the chairman of the committees. This makes a total of 62 members from the government side of the House who have specific jobs, other than just being elected members of Parliament.

If one considers the remarks of the Prime Minister when he upset the fruit basket of parliamentary secretaries last fall, at which time he indicated it was his policy

to rotate these lesser offices every two years, one finds that Bill C-207 will provide an opportunity for 139 of the 155 members on the government side to have jobs during any one Parliament. How will that come about? We presume there will be 29 cabinet ministers, just as now. Then, there will be ministers of state, and if you count them on the rotating basis that means five for one two-year period and five for another two-year period, making a total of ten. With 28 parliamentary secretaries for each two-year period, there will be a total of 56 over the life of a Parliament. There will be two assistant speakers over the life of a Parliament, two vice-presidents of committees of the House, two whips, two assistant whips, and 36 chairmen of committees. I repeat that during one term of office 139 government members will be able to hold office. This is something that is disturbing. All it can mean is a growth of the bureaucracy and an increase in the cost of government.

Let us look at the situation in a few other democratic countries. Britain, which has a population of 50 million, has 20 members in cabinet, and there are 30 ministers of state who are not in the cabinet. The latter cannot speak on policy. All they can do is answer for the activities of the departments with which they are associated. Then, there are law officers, an attorney general, two solicitors-general and an advocate making a total of four. There are 54 ministers, in and out of cabinet, out of a grand total of 630 Members of Parliament.

Mr. Kaplan: Would the hon. member permit a question?

Mr. Thompson: I have only 20 minutes, Mr. Chairman, and I have some material I would like to put on the record. Since there are no provincial governments in Britain, one must assume that the national government looks after much of the administration which is the responsibility of provincial and municipal governments in Canada.

Australia, with a population of less than 14 million and a federal system similar to Canada's, has 12 ministers in the cabinet and 14 ministers who are not in the cabinet, for a total of 26. There are 21 ministers chosen from the Australian House of 125 members, and five from the Senate of 60 members, and that Senate is an elected body.

India, with a population of 500 million, has state legislatures like we have in Canada. It has a cabinet of 50 members. It also has 15 ministers of state who are not members of the cabinet. The lower House consists of 500 members. Then, there is the President of the Republic in addition to the Prime Minister, and he also has an administrative function.

The United States, with a population of 210 million, has 12 cabinet ministers, and they are not chosen from the House or the Senate. There are 50 state governments in that country.

France, with a population somewhat the same in numbers as the United Kingdom, has a cabinet of 19 members. Its National Assembly is composed of 779 members, and it has no provincial or state governments.

Germany, which is not too dissimilar in population from France and the United Kingdom, has a cabinet of 16 members. The federal parliament is composed of 496 members, and there are also provincial governments, the Landers.

Japan, with a population of 100 million or more, has a cabinet of 21 members, and its House of Representatives is made up of 467 members. It has no provincial governments. What I am concerned about is that the growth of bureaucracy, and the size of the government which has been pyramiding during the last three years, will continue.

In addition to the increase in the size of the administration, what concerns me also is the fact that under the terms of this bill the House will not be permitted to debate a proposal to form a new ministry. We all know what happened when Information Canada was set up without any reference to this House at all. I will have something to say about that in a minute or so. If we adopt this bill, we merely strengthen the power of the Prime Minister and the government to increase the bureaucracy without any reference to Parliament. By proclamation, the Governor in Council will be able to set up five ministries of state. In each case the responsible minister will be in charge of policy formulation and development. This is contrary to parliamentary procedure and tradition, since policy formulation has always been the prerogative of the Crown. This bill represents a real danger.

• (4:30 p.m.)

Furthermore, in clause 21 we find that the minister may be "assigned or transferred . . . by or pursuant to any act of the Parliament of Canada". This gives the minister administrative powers besides his policy formulation duties. It is a way for the government to create another department without passing a bill, without the consent of the elected representatives of the people, without estimates and without study by a House committee. You can see what this means, Mr. Chairman.

The same criticism can be applied also to the actions of the Secretary of State who is responsible for bilingualism and biculturalism without any bill having been passed giving him this function. Perhaps we should recall that this was not just an accidental or single occasion. There has been a trend within the government towards such actions, and I believe that is the reason this bill has been worded and formulated as it has. By creating more ministries, the government is giving its ministers a licence to be absent from the House. The roster system governing the attendance of ministers has not worked so far. What will it be like with five more ministers?

The reasons for creating these ministries of state are obscure. The government already has the power to name ministers without portfolio. We have this situation in connection with the Post Office and Information Canada, with housing and urban affairs at the present time. Why create new ministries? For example, let us consider two

of the present ministers without portfolio, the minister responsible for housing and the minister responsible for Information Canada. They must be waiting in the wings to be established as ministers of state. I don't know, but if their jobs are so important that separate departments with a single minister in charge are necessary, whether that be a minister without portfolio or minister of state, then why not create full ministries? As has already been mentioned this afternoon, I believe the minister without portfolio in charge of urban affairs and housing holds one of the most vital positions in the government. So, why not make it a full ministry? I believe the majority of members in this House would agree with this. This could be done by statute and I believe there would be very little argument or disagreement about it. Perhaps the reason for not following this course is that ministers without portfolio now receive only $10,000 a year, while under the new statute ministers of state will receive $15,000 a year.

It is a well known fact that many of the Liberal backbenchers believe that they deserve a title. I do not really object to that because I know many of them are frustrated. They find it difficult to justify their presence in the House with the limitations imposed upon them. Indeed, they may be in a more difficult position than we in the opposition in many cases because there is not much opportunity for them to participate in debates as any member of this House should have the right to do. Rather than bringing a more logical approach to problems, the government is attempting to bring legislation in through the back door. It is a very deceptive type of legislation because it is in the form of an omnibus bill. Mr. Chairman, we cannot deal with the issues in the way we should under the omnibus approach to legislation. It is an unpopular method, and is only a tool to get legislation through Parliament without a proper decision on each item in the bill.

It seems to me that these points bring out some of the very real dangers that this bill represents. Another aspect worthy of mention is that there is no provision setting the length of time ministers of state can function. If we look at the various clauses of this bill, we find that clause 17 allows the Governor in Council to establish a ministry of state and a department, while clause 18 gives the Governor in Council power to terminate its existence.

Another deceptive clause is No. 20 which provides that a minister of state will not have a deputy minister but that his senior officer will be called a secretary, and he shall be chief executive officer. Therefore, Mr. Chairman, his function will be exactly the same as that of a deputy minister. If this is so, then why not give him the title? Soon there will be a deputy minister, under-secretaries and secretaries all doing the same jobs. Clause 22 provides that the minister of state will report annually to the House, but since there will be no Act to refer to it will be difficult to assess the report. It will be difficult to deal with estimates of such a ministry because there just will be no established committee to deal with them. Under the new rules, we are supposed to be giving all members a better chance to participate, but we are already nullifying some rules to which we agreed not long ago.

We could talk about the uunlimited number of parliamentary secretaries that can be created. If we allow the government to do this, we are increasing the size of the bureaucracy and weakening the power of this House. At the same time we are increasing the power of the Prime Minister who already has more power than any head of state in any other democratic country in the world.

Mr. Benjamin: Mr. Chairman, I listened with a great deal of interest to the remarks of the right hon. gentleman from Prince Albert, my own leader, the hon. member for Nanaimo-Cowichan-The Islands, and the hon. member for Red Deer. They expressed in a very competent and serious manner the dangers inherent in this move to appoint ministers of state at the prerogative of the Governor in Council. All who are concerned and anxious about the welfare and good order of the parliamentary system will have enjoyed the remarks of these three hon. gentlemen, but I submit that they forgot something, Mr. Speaker. They forgot the very nature of the Liberal party—what the beast is like. In the history of our country there has never been another political party that has always known that it was the only one fitted to govern. There has never been a political party with a better reputation for lining up at the trough. It would be too much to expect the Liberals to have changed their ways during the life of one Parliament.

There are 155 Liberals and the Prime Minister knows they all want a piece of the action. This is a nice way of working it, Mr. Chairman. Clause 14 of the bill reads:

> Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies—the Governor in Council may,—establish a ministry of state—

I may be naïve, Mr. Chairman, but I always thought that in Canada we had a party system of government. I thought that a party devised policies and the government tried to implement those policies. This does not say very much for the policies that come from the Liberal party, and it certainly does not indicate the Prime Minister's confidence in them. Maybe he did not like the answers he got to the questionnaires given out at the last meeting of the Liberal Federation of Canada. It seems that we must have ministers of state to devise policies and programs that may be needed from time to time. Without doubt, some legitimate case could be made for some additional, specialized portfolios. It has been mentioned in the debate on this bill that there is a good argument for the appointment of a minister in charge of Information Canada, or urban and housing affairs, or youth affairs, or even women. One could even make out a good case for a minister who would be responsible for all the government's Crown corporations.

• (4:40 p.m.)

Mr. Baldwin: How about a minister for unemployment?

Mr. Benjamin: Yes, we could have a minister for unemployment. There is provision for a minister to be in charge of the Canadian Wheat Board. We have only half a minister in that portfolio at present, and I am giving him the benefit of the doubt. Some serious argument could be made for those portfolios. I am sure if the government were to bring in legislation for the establishment of departments of portfolios in these areas, the legislation would find support among members on both sides of the House.

Let us take a look at the makeup of this government. The hon. member for Red Deer compared our Parliament to those of other countries. As I said earlier, he forgot the particular nature of the beast that governs this country at the moment. At present we have 29 cabinet ministers, 16 parliamentary secretaries, one whip, one deputy speaker and one assistant deputy speaker. I am referring to people who get paid for doing their jobs. That is a total of 48. The bill provides for 13 more parliamentary secretaries, to bring their number up to the number of cabinet ministers appointed, which means that the government will have taken care of 61 Liberal members. We have a long way to go. I do not know that I can suggest positions for 155 Liberals, but I will try. As I say, this measure will have taken care of 61. That number will be feeding at the trough. Then, there are to be appointed six ministers of state who, I think, probably could be justified. That brings the total up to 67. We are not even half way there yet.

Well, I have been assessing the experience and capabilities and interests of my hon. friends in the back two rows on the government side, and I have some ideas that I think would be useful to the Prime Minister if he is thinking of appointing more ministers of state. I hope that they will be helpful to him. For example, the hon. member for Grenville-Carleton might be appointed as minister of state in charge of the obliteration of the Parliament Hill skyline. Perhaps he could get a few more skyscrapers around the House of Commons. I suggest that the hon. member for Ottawa West be made minister in charge of all malingerers in the Public Service. He could undertake a study on the formulation of policies in this area. Then, how about appointing a minister in charge of kiosks? You know, they would be useful in the summer youth program.

Mr. Baldwin: Did the hon. member say chaos?

Mr. Benjamin: No kiosks. We already have chaos. I suggest this because when the socialist government was in power in Saskatchewan, it brought sewers and water to tens of thousands of farms and hundreds of towns and villages in the province, and now there is a surplus of one holers and two holers. If you spread them out, about one every half mile on the trans-Canada highway, they would reach from Vancouver to Thunder Bay. That is why I suggested a minister in charge of these kiosks. That way we could make good use of surplus equipment which has been going to waste in Saskatchewan and tidy up communities and farming areas. I suggest that the minister in charge of the wheat board be transferred to that position. I think he could do a good and adequate job there.

Then, Mr. Chairman, I think we need a minister of state to undertake studies and develop policies relating to election expenses. I think the hon. member for Don Valley ought to have that position. Then, there is the whole matter of questions which are asked in standing committees. How about appointing the hon. member for Lachine to undertake studies and formulate policies relating to how one should ask questions in standing committees? I can think of another one, too. The hon. member for York Centre could do a good job as a minister of state in charge of developing policies and studies on the question of how to dispose of parliamentary secretaries. How would this appointment suit you? I suggest that the hon. member for York West be appointed as minister of state in charge of studies and the development of policies relating to what we do with mayors or municipal officials once they are elected to Parliament. After all, we have to feed and keep all these people.

Mr. Baldwin: There would be good liaison with the Prime Minister.

Mr. Benjamin: I suggest that the hon. member for York East could be made minister of state in charge of studies and policy developments relating to the formulating of ideas in newsletters from members on the government side of the House.

An hon. Member: Ha, ha, ha.

Mr. Otto: I can see the hon. member is blushing. I do not blame him.

Mr. Benjamin: We badly need more help in agriculture, and I have some sympathy for this suggested appointment. I suggest that we urge the Prime Minister to appoint the hon. member for Peel-Dufferin-Simcoe as minister of state in charge of studies and the development of policies relating to whether you could put the hon. member for Crowfoot in charge of our National Livestock Marketing Board or even in charge of the farm products marketing act.

There are a few more appointments that I can think of, Mr. Chairman. We are trying to get something for all these fellows and make sure that the trough is well lined with Liberals. I think the hon. member for Edmonton-Strathcona should be minister of state in charge of studies and the development of policies relating to the attendance of hon. members in the House of Commons. Or, how about the hon. member for Essex? He could be made minister of state in charge of a special study on the abolition of the Senate. I think, also, that the hon. member for Esquimalt-Saanich would be delighted to be minister of state in charge of studies and policies relating to the travelling of parliamentary committees.

An hon. Member: Who are you to talk this way?

Mr. Benjamin: I think, altogether, that 79 Liberals have now been taken care of. I have another suggestion for making use of the rest of the Liberals in Parliament.

If the Prime Minister will continue his plan of rotating the parliamentary secretaries every two years, and 29 have been appointed for two years, another 29 will be appointed for another two years. That makes a total of 107 Liberals who have been looked after.

I notice that clause 14, when referring to ministers of state, uses the words, "for the time being". If the ministers of state were appointed for the time being, or on the same principle under which parliamentary secretaries are appointed, namely, for a period of two years, the government could appoint another 18 ministers of state. Mr. Chairman, adding 18 and 107, we arrive at a total of 125 members who would be taken care of in one Parliament. I am short of about 27 positions that I have not been able to suggest for hon. members opposite. But, Mr. Chairman, I have made a pretty good effort. My suggestion would certainly give hon. members opposite some status—all but 27, and I would not want to discriminate against them. I am sure if the Prime Minister put his mind to it, 27 more positions could be found for ministers of state to carry out studies and develop policies.

An hon. Member: Why not pay chairmen of committees?

Mr. Benjamin: That would solve the difficulty. My colleague is suggesting that we should pay chairmen of committees. That would take care of 15 members at least. I think we have solved the problem. We have enabled the government to continue the historical status of the Liberal party. The golden age of the PFAA is no longer necessary. We now have the census and a few other matters which can take care of most good Liberals in the country. But the party never really completed the job of taking care of good Liberals in Parliament, and this method is superbly designed to accomplish that.

I have said all this to indicate exactly what I think about clause 14 of the bill. It is so contemptuous and ridiculous that it must be laughed at and laughed about. It is such an insult to parliamentary institutions that we can only put our anger aside, look at it and simply say how ridiculous it is. I think, if we all work at it, we could dream up positions and suggest them to the Prime Minister. The positions would be for hon. gentlemen on the other side of the House who want to get into the act and want to get a piece of the action.

• (4:50 p.m.)

For the past 150 years following elections, the eyeballs of the Liberals have reacted like cash registers with dollar signs showing up.

Mr. Osler: Will the hon. member permit a question?

Mr. Benjamin: The hon. member for Winnipeg South Centre is another one. We could make him minister of state in charge of inane interruptions.

Mr. Osler: I will leave it to the House to decide whether this interruption is inane. I thank the hon. member for allowing me to interrupt. I wonder what percentage he would suggest, because in the one place where the sun shines the brightest in all of North America from his point of view, 16 out of 28 members have executive positions. That is a little better than 50 per cent.

Mr. Benjamin: That is right. It is just because we have a minority government. Following the next general election, it will be approximately 16 out of 40. A proper democratic balance will be restored to the Manitoba legislature. We do not have quite enough NDP members. I assure the hon. member that following a couple of byelections on Monday and the next general election, there will be a better ratio of cabinet ministers to private members in the New Democratic Party in Manitoba.

I am now down to 26. In the next few days, I will continue my efforts to think of 26 more positions that can be filled by hon. members. They can be made ministers of state in charge of studies and developing policies which can then be handed to the caucus. As they are all in the caucus, as well as the ministers of state and parliamentary secretaries it would be an extremely interesting meeting. If we followed this idea through, it would probably develop to the point where they could invite the opposition parties and we would all be in their caucus. One could follow this through to a wonderful conclusion. It boggles the mind to think of all the possibilities there are with this kind of government.

Even though this may have come as a surprise to some hon. members, in the past few weeks the Prime Minister has expressed some regard and respect for Parliament. I hope that when he and the President of the Treasury Board decide to set up another department of government, which they have the prerogative to do, they will come to Parliament and tell us why they need it, what it is for and what it is to do. I am sure that Parliament will deal with their proposals in a proper and prompt manner.

I have been expressing a fond hope. I am falling into the same trap as the one into which the hon. member who spoke ahead of me fell. I sometimes forget that the government members are nice fellows. Every once in a while I have a lapse of memory and forget about the nature of the beast that governs this country. I am sometimes naïve about what we expect in the form of second thoughts from members of the Liberal government. One can always live in hope.

Should this new system develop to the point where all government members have some kind of position of status, a higher position, a higher income and are responsible for laying down policies or formulating ideas, they could report to each other as a caucus and invite the opposition to attend. It would not be necessary for this House to sit very often. Imagine the ball we would have in the question period. The right hon. member for Prince Albert would need a list as long as his arm if he were to make one report per day during the session of Parliament. It would be a little difficult sorting them out. We could publish something like the seating plan. This could be changed every second year when all parliamentary secretaries and ministers of state were shuffled. All we would have to do would be to print another seating plan. Since the government members have been playing

musical chairs for the past two years, there would be no problem about who sits where.

Mr. Osler: I rise on a question of privilege. I have not been playing musical chairs nor have several others.

Mr. Benjamin: I am going to correct the idea I had about the position I had for the hon. member. A position of minister of state should be created for holder of the vacant post. Since he has not been moved yet, he must feel left out. If he was appointed holder of the vacant post, he could stay right where he is.

I feel very contemptuous and angry about this sort of measure. I think this bill flies in the face of a democratic process and good governmental action. For my benefit and the benefit of others who spoke on this particular part of the bill, surely the Prime Minister could participate in this debate, if it would not inconvenience him too much. If it would help, we could arrange a picnic in the snowbanks on the front lawn. We could make maple syrup, throw it on the snow and even skate on it. We could pause during this swinging gathering so the Prime Minister could drop into the committee of the whole. We do not want to put him out.

This would give the Prime Minister an opportunity to explain why he needs these ministers of state. If he does not mind, he might even give a hint as to the responsibilities of these ministers of state. I hope it is not asking too much of the Prime Minister to ask him to come into this House at some point to take part in the debate on his bill. If it is asking too much, I apologize. I am sure all opposition members would want me to apologize. We do not want to put the poor fellow out, except at an election.

I hope the people of Canada will let the government know the contempt they feel. I hope their contempt will be echoed in the mails and in the press. Maybe if Parliament and the country are lucky, the President of the Treasury Board and his colleagues will decide that this is not the proper way to accomplish their objective and withdraw this clause. This clause could be amended so that the government would have to tell Parliament why each minister of state was required and what he was to do. This would be more proper and more in keeping with the role the government should be playing.

Mr. Otto: Mr. Chairman, I have heard a most impassioned plea in defence of Parliament by both the right hon. member for Prince Albert and the hon. member for Nanaimo-Cowichan-The Islands. They defended an institution which has been obviously threatened by this bill, an institution that is really a ghost. It does not exist any longer. I did not know how to illustrate the fact that Parliament is no longer what these people think it is, but fortunately the speaker who preceded me illustrated exactly what stage Parliament has reached.

Some hon. Members: Hear, hear!

Mr. Otto: In the nine years I have been in this House, I have never said a derogatory word about any member of Parliament and I do not intend to do so now. However, this brings forth the illustration to these hon. members that it is not the government that destroys Parliament and it is not really the opposition. It is a group of circumstances which has made Parliament that institution which these hon. members think it is. I have only devoted a short time to this institution, but I can see why these hon. members who have devoted a lifetime to it have such great affection for Parliament. It is a parliament of Alice in Wonderland. I know it is difficult to realize—

Mr. Diefenbaker: You will have to excuse me; I have received a message and have to leave.

Mr. Otto: Yes, of course, I will excuse the right hon. member for Prince Albert. It is a Parliament which no longer exists, and indeed the purpose of this bill is to try to make some sense out of what remains of Parliament.

I do not think for one moment that any reasonable person could find this evil—this bill—lurking under a bush ready to destroy Parliament. This bill proposes to create a few or any number of ministers of state. It was the opposition and the people in general who demanded that ministers be put in charge of individual departments. Yesterday the hon. member for Vancouver-Kingsway demanded a minister to look after the affairs of women. We do not have any women on this side, but we do have a member for York West who is possibly ambitious enough to undergo some sort of sex change operation if that were necessary. Mind you, he may not go that far in order to accomplish this goal.

Just recently when the minister of fisheries was discussing the first part of the bill which deals with the environment, there was a hue and cry about whether we should have a separate minister of the environment and a separate minister of fisheries. I suggest the people of Canada are not demanding that we place all these important arms of government within the control of one or two ministries, and this can be perfectly illustrated by the old problem of housing. Hon. gentlemen opposite will remember that up until very recently housing was cast from one department to another. I do not think there is one department that did not at one time or another have responsibility for CMHC or the National Housing Act. This may be one reason we have such a difficult time with housing in Canada at the present time.

I do not see that this bill is such a great threat. Indeed, the whole tenor of the speech made by the right hon. gentleman from Prince Albert and the hon. member for Nanaimo-Cowichan-The Islands was that if the creation of these ministries was by separate bills in this House, then somehow the House of Commons would have some power. Probably since the day of Pitt the Younger, Parliament has not had any power except the power to delay. No hon. gentleman opposite can say that he really has the power to change anything, and none of us on this side can say it either. We have the institution of Parliament, of so-called responsible government, which sets the policies, and we can but follow. The opposition can oppose and delay. It is the delay that has discredited Parliament in the eyes of the Canadian people.

The parliamentary institution was well suited to a very quiet agricultural country. Canada is not the place for the old type of Parliament; we have to get things moving quickly and cannot be sedentary about policies. Therefore, between the idiosyncrasies of this Parliament which hon. gentlemen opposite so staunchly defend and the real facts of life in this country, we have to devise some new forms.

I think the Prime Minister himself when first elected as leader of the Liberal party said there was too much power in the administration. But it is no wonder when one minister has six or seven different departments to handle. An attempt is being made here to give one minister responsibility for a current issue, and the minister of the environment may not forever be involved with that particular issue. It may be the case that at the present time we do not even need a minister in charge of parks or in charge of lumber. After all, things change with time. I think this bill is an attempt to bring government to a current position. I do not say that it is perfectly right, but at least it is an attempt to recognize that if we make no changes whatsoever we will disappear. Not only will the power which Parliament may or may not have disappear, but our purpose in the minds of the people will disappear.

Unfortunately, democracy itself is put to the fore. When the people of Canada question our position, they also question democracy. The danger is that if we lower ourselves in the eyes of the people, what happens to democracy? I have tried very hard to follow the argument that has been put forward that the possible creation of more ministries will be so detrimental, but with all respect I cannot see it. I think this is a useful bill. It puts forward a set of criteria. It gives power to the government to create ministers of state for a certain specific purpose as the need arises, without going back for another 25 or 30 day debate. What would be the result of such a debate? Would the opposition defeat the government? Does any hon. member opposite think a government member would vote against the government with our party system?

Some hon. Members: No.

Mr. Otto: Does any hon. member opposite ever vote against his party? Of course, not! Although at one time it might have been said that members of Parliament expressed themselves as individuals, recently in the rule changes recognition was given to party, both opposition parties and government party. Hon. members will also recall that power was given to the whip of each party to remove a member on five minutes' notice from any committee.

To say now that this Parliament is something other than what it really is, is putting it over on the people of Canada, in reality joining them with this kind of Alice in Wonderland attitude toward Parliament instead of facing facts and telling ourselves we have got to change. The chances are that Parliament as we know it will disappear. The chances are that we will not adopt the republican system. I think there is a good chance that we will come to some compromise which will serve this country, which will give us the best of the two worlds, and in which the people of Canada will indeed have representatives who speak for them. One way to bring this about is to take the issues which are important from the people of Canada and place them in the charge of the minister of a department. This will demonstrate that we are not completely impervious to this approach.

With all respect, let me repeat that all of the arguments I have heard are very good historical arguments and could be the basis of debate for many days. But when we come to the real meat of this section, surely that has nothing to do with it except that it is an attempt by the government to make some changes from time to time. If hon. gentlemen opposite have any private ideas, then we would welcome them. But let them not say, throw the bill out simply because it does not fit into the old, ghostly concept of Parliament as we know it.

• (5:10 p.m.)

Mr. Baldwin: The hon. member for York East really put his finger on the idea the government has in mind when he said there has to be a compromise. The kind of compromise which he, the Prime Minister and the cabinet have in mind, together with others on that side of the House, is the kind of compromise a boa constrictor has when it swallows a rabbit. That is what hon. members opposite want. As far as this Parliament is concerned the government wants to swallow it. This bill is one of the weapons which will be directed towards that end. Until the hon. member for York East got up, I was about to say that government supporters, instead of rising to defend this measure, had remained in their seats, dumb, docile and listless. When I use the word "dumb" I am using it, now, in the oratorical sense rather than in the intellectual sense. Until the hon. member for York East spoke not one of them got up, or was allowed to get up, to speak in support of this particular measure.

Some hon. Members: Oh.

Mr. Borrie: You know better than that.

Mr. Baldwin: I am sorry if I have touched hon. members opposite on a raw nerve. I respect hon. members who have capability, but with regard to this particular measure, where a great deal is at stake, as has been indicated by my hon. friend from Prince Albert and others, it seems to me there is an issue which ought to be determined by the process of debate back and forth across the floor of the chamber. The bill affects one of the greatest issues of our time—the issue of what will happen to parliamentary government. The hon. member for York East says Parliament is suffering and that the bill before us would reform Parliament. How can a bill which creates more paid posts in support of the executive improve parliament? It is true that as one goes around the world one finds there is growing disillusionment with the whole process of government. But too often people confuse government with the legislative system. It is the legislative system which in the end will be required to

infuse new life and a new virtue into the processes of government.

The appointment of five ministers of state, 14 parliamentary secretaries and other ministers who would be in the same position as ministers without portfolio, will in no way improve the parliamentary structure. Hon. members opposite know better in their own hearts than to support this measure. They should support the fight we are carrying on from this side of the House.

An hon. Member: What fight?

Mr. Baldwin: My right hon. friend from Prince Albert at one time held the highest elective office in this country. He is a man who loves Parliament. The hon. member for Nanaimo-Cowichan-The Islands was at one time premier of his province. Time was requested on their behalf for an additional period in which to complete their observations. This was refused. There is no doubt about where the denials came from. At least the hon. member for York-Simcoe identified himself when he challenged the right of one of our members to carry on. I think this was a shameful thing, and I regret it. However, it is not the issue we are debating today.

This is not the first time the government and its immediate predecessor have brought reorganization bills before the House. In 1966-67, Bill C-178 was introduced, a lengthy bill setting up a number of departments. In 1967-68 there was Bill C-161, and in 1969 there was Bill C-173. Each of those bills involved the reorganization of government, each of them reallocated responsibilities, established new departments and changed the functions of ministers. In addition, there exists at the present time an act which provides for the re-allocation of duties. Why is it necessary to proceed with the legislation we are examining today in this committee? What has been the net result of the three reorganization bills to which I have referred? They have resulted in the creation of a large number of new ministers who fall over each other's feet, get in the way, mess things up, and refuse to give hon. members information when they want it. Inflation is still with us, unemployment still rising, huge increases are noted in the cost of government. I should probably be out of order if I were to attempt to go into the details concerning the new departments which were created by the measures to which I have referred, and to the additional cost which has been laid on the shoulders of the taxpayers as a result.

Each time a new department has been created, spokesmen for the party opposite have said: we shall take over staff from an existing department, so it will cost less money; we shall set up these new, shining instruments and they will do the job so much better. What do we find today? The cost of government is abnormally high and is imposing a steadily increasing burden on the unfortunate taxpayer. Take the size of the Prime Minister's office and the Privy Council alone. In 1965, 125 people were employed in the offices of the Privy Council and of the Prime Minister. In 1969, there were 232. I believe the number today is around 300 or more. The cost of the Privy Council Office in 1965 was $2 million. In 1970 it was $11,256,175. My hon. friend from Churchill, during the debate on the budget on April 28, 1970, put some figures on record dealing with the establishment of the office of the Prime Minister, and I should like to quote now, from page 6223 of *Hansard*:

> In 1960 the cost of the staff of former Prime Minister John Diefenbaker was approximately $50,000. The cost was the same when he assumed this office in 1957. One of the first things he did was to ask for the staff establishment of former Prime Minister Louis St. Laurent. The cost of Mr. St. Laurent's staff was $50,000. The cost of Mr. Pearson's staff ran in the neighbourhood of $75,000 until near the end of his regime when there were some sharp increases. However, this is a far cry from the $821,000 annually which is now being paid by the Prime Minister to staff his office.

That was in 1970, and there has been a substantial increase since that day. I understand that in the Prime Minister's office now there are some 80 people and that the cost is more than $400,000. This does not include the Privy Council staff. Maybe these people are needed, I do not know. But looking at the results, and judging from them, sure as Heaven something is radically wrong.

When the Prime Minister made his first speech in this House in this session, he asked that *Hansard* should record a list of the legislative programs referred to in the Speech from the Throne. There were approximately 70 measures proposed at that time, and since then the government has brought in two or three more. That speech was read three months after the conclusion of the last session. We were told by His Excellency, and the text of his speech was repeated by the Prime Minister in this House, that there were these 70 bills. This was the task facing Parliament. Surely, we had reason to expect that those bills would have been ready and would have been brought in for first reading right away. What did we find?

Mr. Boulanger: Filibusters; that's what we found.

• (5:20 p.m.)

Mr. Baldwin: Mr. Chairman, the record shows that during the month of October, eight bills were brought in for first reading. In other words, at the time the list of bills was placed on the record by the Prime Minister only eight were ready after three months of preparation and Heaven knows how much time before that. This is an example of the bungling and administrative incompetence we find when we have 29 cabinet ministers. One might ask, therefore, what calibre can we look forward to with the addition of five ministers of state as well as unnumbered ministers who are not assigned a special position.

We might follow this list all the way down. In November, I believe 16 bills were brought in for first reading. In December, there were about six; in January there were three; in February two, and so far in March six or seven. So, there are still 30 bills we have not seen which we were promised by the government on the first day of this session. The only way to have an administratively competent and intelligent parliamentary government is to have a government which brings before the House a certain program, a government which states what the bills are and brings them in for first reading. In this way

the members and the people in the country may have a look at them. The opposition can then consider them, evaluate their position and decide what position they will take in the course of the session to deal with them competently.

Here, however, we find ourselves in the position that 30 bills have not yet been exhibited. I understand the situation is different in many other parliamentary governments. When I was in the United Kingdom two or three years ago, I was told that the government knows how many bills it will introduce and the bills are prepared, introduced and available at the beginning of a session.

Mr. Drury: There is a time allocation.

Mr. Baldwin: There is a time allocation, but not the time allocation this government thinks there is. This government does not know the difference between time allocation and the kind of parliamentary system we should have here. The right hon. gentleman from Prince Albert referred to the difference between the presidential system and the parliamentary system. At least in the presidential system the president can appoint members of cabinet. This is precisely what the Prime Minister will now be able to do. However, in the United States every one of those appointments must be submitted to the Senate for advice and consent. The Prime Minister has mentioned that he would like to see a countervailing force. He has said it so often that some day I hope he will do something to bring it about.

It is necessary that government be strong. I have never denied the fact that under the circumstances of today, and the kind of society we have today, the government must be powerful and able to act quickly and efficiently. That cannot be down, however, unless this House is given the right to challenge, scrutinize and delay legislation if necessary. It is the parliamentary function of an opposition to delay if necessary and have a proper opportunity to see the legislation and deal intelligently with it. That is not a power which resides in this parliamentary system today. This government is now attempting to even weaken or limit what powers we have. Mr. Chairman, let no one say that the appointment of additional ministers of state or additional parliamentary secretaries will help the parliamentary system. In absolutely no way will this be the result. This is the reason we on this side of the House conceive it to be our duty to challenge the government on this issue.

My right hon. friend from Prince Albert and others have pointed out that this bill should not have been introduced in this fashion. There are aspects of this bill to which we might have given our approval in a minimum of time. But we would be derelict in our duty if we permitted this Prime Minister and this government to have this kind of power they wish to grasp. This is the name of the game for them. They want to have their hands on the levers of power so that they can manipulate things, not for the purposes of the country but for the purposes of the government and the party they represent. We would be derelict in our duty if we did not vigorously oppose this particular measure in this bill. The government must have been aware of this. There was no hesitation so far as this party was concerned in disclosing to the government the fact that we intended to oppose this vigorously and at length. I consider, from the correspondence I have received and from the observations I have read in the media, that the government is on the wrong side on this particular issue.

I think the government would be well advised to review its position and withdraw this particular part of the bill as well as the next part. The government has the power it needs, so I ask why in Heaven's name the government is insisting on proceeding with this particular clause. I have indicated there is administrative incompetence and bungling on the part of the government. There is no question about this. Why do they believe the appointment of five new ministers will help? Perhaps the President of the Treasury Board may have some answer to that, and I would be delighted to hear him. He looks as if he were ready to say something. Therefore, I shall sit down at this stage, and reserve the right to make a few more comments at a later stage, in the hope that the President of the Treasury Board will comment at this time.

[*Translation*]

Mr. Latulippe: Mr. Chairman, I am glad to say a few words about the bill now under study. This bill is really bad when we consider all its wastefulness as well as the control it will give to some members of the administration.

Mr. Chairman, all parliament does is pass laws; it produces nothing. For the administration of taxpayers' property we now have hundreds of bodies which operate as best they can or nearly not at all.

We do not need new administrative tools, but more efficient ones. Should we fail to do that, it is futile to introduce other bills and complicate the situation even more by appointing new administrators with fantastic salaries which would contribute to raise government expenditures. All these new employees will not be able to do much more than today.

We provided ourselves with various tools: the Economic Council was established to give the government the tools required to have the economy operative. Several other commissions made suggestions to the government. They are there to advise the government on policy matters.

There are so many organizations which cost the taxpayers a mint of money, and still some people talk about setting up some more to solve the problem while the ones we now have are unable to ensure a better administration, because they are short of money. If we are to create new organizations and new ministries, more money will be required whereas there is still not enough of it for the ones now existing.

If we intend to increase taxes to enable these organizations to work properly, the Canadian taxpayers will no longer be able to pay because being already overtaxed they will go bankrupt and the majority of those who are now still thriving will eventually tumble down. The gov-

ernment will come clattering down drawing everything in its wake.

Mr. Chairman, the democratic system is the best system in the world but what is democracy? Democracy is an agreement that we commit ourselves to honour. But now the government does not care about it because it wants to take absolute control and do without members of the opposition, who were in fact elected by the people, have made the same commitments and are subject to the same regulations and the same laws as members of the government and agencies of the crown. However we find within these agencies officials who do not work efficiently because the necessary instruments are not available to them.

• (5:30 p.m.)

Some civil servants are efficient, some are so remarkable that their qualities beggar description. They do their job well, but they lack the required tools. It is therefore up to us to give those civil servants, and existing institutions, the tools required for their operations and the running of our economy. Establishing new institutions by way of new expenditures, new taxes and levies will not restore the balance of our economy which is completely out of kilter.

The only economic agency we need, Mr. Speaker, is one which would balance all sectors of our economy, allowing our financial machinery to fulfill its functions thoroughly. We should rather have an agency aimed at planning the financial aspect, so as to enable our economy to work properly.

Our organization is not working, not because there are not enough departments; in fact, there are too many. Every time we appoint new ministers or establish new agencies, we increase the administrative work. I dare say that since this government has been in office, the administration has increased by more than 60 or perhaps 70 per cent. The administration staff has increased and the people are getting fewer and fewer services.

The more we create new agencies, the fewer services will be provided to the people, and the more exasperated they will become. We must therefore react and create agencies capable of truly solving problems.

There is no need to make available to the public new departments or additional civil servants because they will not be able to work in the present economic system. It is impossible to put more things to work.

Before the war, there might have been fewer members of Parliament and departments than today, and yet, when war was declared, in a few days, an organization the like of which had never been seen or known in Canada, was put to work. All parts of Canada were organized and the economy of the country was put into action. Instead of creating new departments, the existing ones were put to use and it was said: This department will be responsible for this and that department will be responsible for that.

All the time the war lasted, Mr. Chairman, the economy of Canada kept going, although we went into debt.

We could do the same thing now, even though we are not at war, because the number of public servants has

increased in all departments. The number of civil servants, of commissions that cost millions of dollars to the government and give nothing to the people, would justify action from the government. I think that we must oppose the establishment of these agencies as proposed by the Prime Minister (Mr. Trudeau). We must reject the bill before us, because it brings no solution to the problems. We do need solutions, and efficient results for the people. We must know where we are going, and if these new agencies lead nowhere, we do not need them.

The Economic Council of Canada made many recommendations to the government.

It does not need new employees to carry out those recommendations, but more funds. It is therefore necessary to set up some organizations to make money available to Canadians and make financially possible what is materially possible. This is the role of our members. We would thus be doing something for the people.

We must not make the administration more intricate or increase the debts of Canadians which have already reached a maximum level. We cannot run further into debt because they are beginning to exceed our assets.

Under the present system, the more we are creating debts the more we are spreading dissatisfaction, because we have to make up those debts and deficits with all kinds of tax increases.

Mr. Chairman, 25 per cent of the population is on social welfare, 14 per cent of Canadians depend on economic assistance. This means that about 40 per cent of the budget is used only to keep Canadians alive, to pay them not to work, to allow them to exist. When things are that bad, it is not proper to increase the salary of one person or another, but we should rather save. It is time to buckle one's belt and to create new organisms to let people live.

There are plans to invest in order to find jobs for Canadians. The investments should not come from salary increases or the formation of new organizations. In fact, a large part of public money will be used for the administration of those agencies and there will be nothing left to look after the people.

When 75 per cent of the budget must go for administration, only 25 per cent remains to reorganize the economy and the government can no longer function. The government that leads the country today is almost a topsy-turvy government: they base themselves on false principles and refuse to see where the real problem lies instead of grabbing the bull by the horns, as good Canadians will say, to solve the problem.

They are always besides the problem, endeavouring to set up all sorts of organizations we cannot finance. Let us set up an organization capable of financing the administration of the country.

Some members agree with us on that score, and they have all the required competence to do even more. We therefore do not need any new organizations.

• (5:40 p.m.)

[*English*]

Mr. McCutcheon: Mr. Chairman, it is a delight to take part in this debate so late on Wednesday afternoon and

to see such a large group in attendance on the government side. I should like to tell them that if they have anything better to do than sit and listen to me they might as well go ahead because I can assure them and their whip there will be no vote this afternoon.

An hon. Member: We will stay.

Mr. Drury: We have to have a quorum and there is no other way of keeping it.

An hon. Member: We would not miss it anyway, Mac.

Mr. McCutcheon: You are very kind and I shall try not to disappoint you. When the hon. member for Peace River spoke this afternoon he mentioned the dearth of legislative items brought forth by the government and suggested that this bill should have been split into four or five bills. Instead, it appears as an omnibus bill containing everything from pollution and government reoganization to the Prime Minister's patronage pork barrel.

There are to be five new cabinet ministers, and the group of followers and hangers on will include executive secretaries here in Ottawa as well as travelling executive secretaries in the constituencies. Imagine the bill for each ministry that will be foisted on the Canadian taxpayer. Will it be $1 million or $2 million? Mention has been made many times this afternoon of the proliferation of bureaucracy. An example of this is the staff around Information Canada, which is growing like a mushroom at the expense of the taxpayer. There must be several hundred people in there, some of them engaged in drawing nude posters.

Mr. Knowles (Winnipeg North Centre): And that should be done by the minister without portfolio.

Mr. McCutcheon: At the same time every other department of government is increasing its staff in order to disseminate favourable information about their departments and their lovable ministers.

Since 1963, when I first came to the House of Commons, there have been three organization bills. One was for the streamlining of procedures and was intended to cut down on overhead. What a bill of goods that was! Since 1963 the proliferation has been astronomical and now we have this, probably one of the woolliest pieces of legislation ever presented to this House. Those are not my words, Mr. Speaker, but the words of a very prominent law officer.

I have no hesitation in speaking at this time, thereby delaying this bill if that is what it takes to get the government to see the light. If the bill passes, this House of Commons will have lost any chance to scrutinize the cost of these ministries and departments because their operations will be at the discretion of the cabinet. I should like to say there is one part of this bill of which I approve. After all, who in this chamber can oppose a measure to curtail pollution? I also approve the minister who has been earmarked for that job, Mr. Chairman. In my opinion, the Hon. Jack Davis is a dedicated man and will do a good job in that position.

Mr. Baldwin: He is just unfortunate in his choice of colleagues.

Mr. McCutcheon: But, Mr. Chairman, how can I vote in favour of supporting Jack Davis, as I desire to do, when I have to support the rest of the hodge-podge contained in the bill? To go further, I will not oppose the reinstatement of the Hon. Jean-Pierre Côté, Minister without Portfolio in charge of the Post Office. In my humble opinion the government did the country a disservice when he was removed as Postmaster General, especially when Eric the Wrecker was put in charge of that department.

Mr. Bigg: A $100 million loss!

Mr. McCutcheon: We may never know what we lost through that appointment, and I should like to support the reinstatement of Mr. Côté. Having said that, I am not prepared to support such bad legislation as this part of the bill is, merely because there are two or three desirable by-products in it.

• (5:50 p.m.)

I have already voiced my opposition to the preferential treatment, as incorporated in this bill, that is being accorded to certain high ranking civil servants. I know that the government is very well disposed to the elite class and is not so concerned about ordinary folks. I have already pointed out my criticism of the pension arrangements for department heads, and I shall have more to say about that later.

Now, we come to the pork barrel part of the bill. There are to be five new ministers of state and five new parliamentary secretaries. I do not know if I am accurate in saying that. The man in whose name this bill stands does not deign to favour this place with his presence in order that we can ask him questions about how many appointments there will be. Under the old act not more than 16 parliamentary secretaries could be appointed. There are 27 ministers, plus the Prime Minister. Now, we are to add five ministers of state, making a total of 32 ministers, and more parliamentary secretaries. Will there be ten more parliamentary secretaries or will there be 16 more? Are we to double the number of parliamentary secretaries? I do not know and nobody on the government side seems to have the answer.

Mr. Drury: Read the bill.

Mr. McCutcheon: How many more civil servants will there be? How many more people will work in the offices of these ministers? Will this cost us $2 million per year of $200 million? How many more people will be drawn from the press gallery to fill this vacuum and this need?

Since 1968 a large percentage of people have been siphoned off from the press gallery. How does this happen, Mr. Chairman? Well, let us say that a member of the gallery has shown some sympathy for the administration in his reporting. Some of this, I suggest, may have been perfectly legitimate. He has expressed an honest opinion about government action, let us say. There have

been rare occasions on which the government could be applauded.

An hon. Member: Name one.

Mr. McCutcheon: If, however, a second article appears that is friendly or biased in favour of the government, something like this takes place probably, and this explains the proliferation of certain types of people in ministers' offices. A former member of the press gallery, who is now a government employee, will approach the member of the press gallery in question and say, "Let's have a coffee, or a coke." Then, the conversation will start something like this: "Say, did you know that Joe Greene is looking for a PR writer; did you know that Bryce Mackasey would like to get one; have you heard that Jean-Luc Pepin needs somebody in his department?"

Mr. Bigg: To explain what the minister means.

Mr. McCutcheon: So, the conversation continues in this vein. Then, the former press gallery member might say, "Would you be interested?" The reply might be, "Well I don't know; I am getting along pretty well." Then, he would be told, "Well now, remember the job pays $5,000 more than you are getting." After all, this is the taxpayers' money and to heck with the expense. This offer would be very tempting, Mr. Chairman, because I can assure you that, by and large, publishers are notorious skinflints.

Some hon. Members: Hear, hear!

Mr. McCutcheon: What has been the effect of this, Mr. Chairman? Every cloud has a silver lining. The bulk of those in the press gallery who are prepared to prostitute their trade for political or monetary advancement is gone.

Mr. Knowles (Winnipeg North Centre): But there are none like that.

Mr. McCutcheon: I would draw to your attention the fact that for some time now the quality and fairness of news reports emanating from this place has improved markedly, and the news is not so slanted. I suspect that those who are still left in the gallery are dedicated to their craft. They are still reporters.

Mr. Whelan: You are being reported now, Mac. The man in the gallery is writing down what is being said. He likes it.

Mr. McCutcheon: I suspect that the majority of those in the gallery who would prostitute their craft for monetary and political gain are gone. However, there are probably enough left to fill the opportunities that the enlargement of the executive will no doubt provide. In his remarks, the hon. member for Red Deer described how 139 government members could get extra money out of the treasury. I suggest that that would be hardly enough to satisfy the boys over there.

Progress reported.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, may I be permitted to ask the President of the Treasury Board if we can expect to continue with this bill tomorrow. I imagine that quite a number of government members wish to speak. Will we carry on with this measure tomorrow?

Mr. Drury: Mr. Speaker, I think the House Leader intends to present, hopefully for rapid disposal, three bills dealing with veterans' affairs. After that, we would continue with this bill.

The Acting Speaker (Mr. Richard): As I gazed around on this beautiful day I found that winter has almost gone. Spring seems to have injected fresh energy into our debates. I wish hon. members a quiet and restful evening. It being six o'clock, this House stands adjourned until two o'clock tomorrow.

At six o'clock the House adjourned, without question put, pursuant to standing order.

HOUSE OF COMMONS

Thursday, April 1, 1971

The House met at 2 p.m.

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill S-12, an Act respecting Central-Del Rio Oils Limited, to which the concurrence of this House is desired.

* * *

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF DELEGATION REPRESENTING NATIONAL ASSEMBLY OF CZECHOSLOVAKIA

Mr. Speaker: May I bring to the attention of hon. members the presence in the Speaker's gallery of an important delegation representing the National Assembly of Czechoslovakia. This delegation is under the distinguished leadership of the President of the National Assembly of Czechoslovakia, Dr. Hanes, who, being a very renowned, well-known, highly respected and distinguished member of the legal profession and professor of law at the University of Bratislava, has acquired in his country and in Europe a fine reputation as a very distinguished parliamentarian. Hon. members welcome Dr. Hanes and his delegation to Canada and to the Parliament of our country.

Some hon. Members: Hear, hear!

• (2:10 p.m.)

ROUTINE PROCEEDINGS

YOUTH

INFORMATION ON OPPORTUNITIES FOR YOUTH PROGRAM —REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, pursuant to Standing Order 43 I propose to ask unanimous consent to move a motion on a matter of pressing and urgent necessity. Students and graduates throughout Canada are having difficulty in getting accurate information about the Opportunities for Youth programs. Their prospects for earning money are prejudiced by late information, vague information, and closing deadlines. I would therefore move, seconded by the hon. member for Gander-Twillingate (Mr. Lundrigan):

That this House urges the government to extend the deadlines for the youth programs and simultaneously initiate crash programs using all forms of mass media appropriate to the various regions of Canada, to inform and guide students and voluntary bodies about these programs and, in particular, with respect to the policy for submitting project proposals.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member. By virtue of the terms of Standing Order 43 this motion requires unanimous consent of the House.

[*Translation*]

I must therefore have unanimous consent of the House.

[*English*]

Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. The hon. member's motion cannot be put at this time.

ORAL QUESTION PERIOD

LABOUR RELATIONS

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—POSTPONEMENT OF DEADLINE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to direct a question to the Minister of Labour relating to the announcement by the locomotive engineers that they will be going on strike at the first of the week, which I know is a matter of great concern to the minister as it is to all Canadians. Has the minister anything he can report on this problem?

Hon. Bryce Mackasey (Minister of Labour): Yes, Mr. Speaker. First of all I would like the House to note in a positive vein that at six or seven o'clock this morning the non-operating unions, representing 55,000 railway workers, signed an agreement subject to ratification, and that the engineers, with whom I met last evening, are resuming negotiations with the CNR and in all probability with the CPR as well later this afternoon, probably about 2.30.

I am convinced, Mr. Speaker, that all elements for a settlement are in place, and I can only remind the railways, as well as the unions, of their obligation to the people who are not directly represented at the bargaining table, the farmers and the other people affected by the slowdown or wildcatting who could be detrimentally affected by a long strike. The responsibility now lies on the railways as well as on the men to realize their obligation to the Canadian people.

Mr. Stanfield: In view of the optimism of the minister, has he approached the representatives of the engineers' union or, if not, would he do so with a view to examining the possibilities of a postponement of a strike in any event, since the minister seems to suggest that some settlement may be worked out? I ask this question in view of the very disastrous effects such a strike would have on the economy.

Mr. Mackasey: Yes, Mr. Speaker, I think the suggestion is a reasonable one. It is one that has already occurred to us, but it would only be fruitful if between now and Sunday there are some obvious signs of progress. When I say I am optimistic, I mean I am optimistic in the sense that both sides are resuming negotiations. This thought had occurred to me and I shall repeat it to the union later today.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—NUMBER OF VESSELS WAITING FOR GRAIN AT VANCOUVER

Hon. Robert L. Stanfield (Leader of the Opposition): I have a supplementary question, Mr. Speaker. I should like to ask the minister who reports for the Wheat Board how many vessels are waiting on the west coast for the loading of grain which the elevators are unable to provide to them?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Vessels are still loading at the west coast, Mr. Speaker. The report I had on yesterday's situation was that seven vessels were loading, eight were waiting and three more were expected to arrive soon. Stocks, of course, have been reduced quite remarkably at Vancouver.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—POSTPONEMENT OF DEADLINE

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. All members and all Canadians will be very pleased that the minister has been able to persuade the representatives of both the railways and the Brotherhood of Locomotive Engineers to resume negotiations. I should like to ask the minister if he has urged that the deadline for the strike, which is called for twelve o'clock noon on Monday, be postponed if the deliberations today and tomorrow indicate that a settlement may be in the offing?

Hon. Bryce Mackasey (Minister of Labour): Yes Mr. Speaker, I have urged this in a very gentle and persuasive way, I can assure the House. In addition, we have the problem of the engineers who are already on strike on the west coast. I think the House can appreciate that in so far as farmers on the Prairies and the people of British Columbia are concerned, in a sense the strike is already in progress. I would hope that that particular group of engineers, who will be meeting again at two o'clock this afternoon in Vancouver, will show their good faith and their concern for what could be a very serious emergency by returning to work in the interim. This would hasten the possibility of postponing the deadline.

Mr. Douglas: In view of the meeting being held on the west coast with those who are already out on strike, I should like to ask the minister who is representing him at this meeting with the locomotive engineers in Vancouver?

Mr. Mackasey: At the moment, Mr. Speaker, Don Tyso, head of the Department of Labour branch office in Vancouver, is there as well as my parliamentary secretary who is acting in his capacity as Parliamentary Secretary to the Minister of Labour. Both are on the scene in Vancouver and are working as closely as possible with the engineers to reassure them that everything possible is being done by the negotiating team in Montreal.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—WAGE INCREASE OFFERED BY CANADIAN NATIONAL RAILWAYS

Mr. A. D. Hales (Wellington): Mr. Speaker, I wonder if the Minister of Labour could advise the House what increase in wages has been offered by the Canadian National Railways?

Hon. Bryce Mackasey (Minister of Labour): I am sorry, Mr. Speaker, but I just cannot divulge that. I think the hon. member should understand that in the negotiations it is not simply a question of money but also a question of work rules and safety in certain parts of the country. While money is important it is not the only consideration.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—POLICY ON KEEPING VANCOUVER GRAIN STORAGE CAPACITY FILLED

Mr. Cliff Downey (Battle River): Mr. Speaker, my question is for the minister in charge of the Wheat Board. In view of the fact that most types of grain stocks in store at Vancouver terminals are presently depleted and that if storage facilities had been filled at Vancouver loading could have continued for another week or ten days and all the ships in port could have been filled regardless of the strike, is the minister prepared to reassess his position with regard to keeping terminal storage filled?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I think the position of the Wheat Board has been a most reasonable one. Their objective

has been to maintain stocks at Vancouver as close to 15 million bushels as possible. In their judgment this figure allows for the maximum efficient use of the terminals in order to get the high throughput that is required with the record loadings which are going on and are anticipated. The stocks remained at 15 million bushels until early in the year. At that time the beginnings of labour difficulties reduced the efficiency of the transportation of grain and lost, in the opinion of the Wheat Board, effectively one week's unloadings at Vancouver. But even as late as March 10, and notwithstanding these difficulties, stocks were at 12.3 million bushels of grain, apart from screenings, at that terminal. I think the Wheat Board is to be commended for doing what they have done in keeping stocks there and in keeping the terminals operating as efficiently as possible in those difficult circumstances.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question, Mr. Speaker. May I ask the minister who reports for the Wheat Board whether any extraordinary measures were taken to replenish and, indeed, to increase stocks of wheat to full capacity at Vancouver and west coast points in view of the difficulties with regard to railway negotiations which must have been apparent to the minister?

Mr. Lang: Yes, Mr. Speaker. As difficulties occurred during the earlier months of this year, the Wheat Board, operating through the block system, alternated orders to the opposite railroad as required in an attempt to keep stocks up. This created some difficulties, however, and made it more difficult to put the required grain in place. Some particular kinds of grain are handled, by the nature of things, more by the Canadian National than by the Canadian Pacific Railway, and this creates particular difficulties. The Wheat Board tried in every way to adjust its shipping schedules to keep stocks as high as possible and to have the right stocks there to meet the vessels which were expected.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—AVAILABILITY OF BOXCARS FOLLOWING SETTLEMENT OF DISPUTE

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, may I ask the minister whether he has a crash program to be put into effect immediately after the strike is settled in order that all boxcars available may be directed toward Vancouver, inasmuch as there has been a delay in the opening of the seaway, so that ships will not need to be diverted or delayed in loading?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, there is a very large number of boxcars actually under load for the western region now, so that the determining factor in building up stocks again at Vancouver will be the capacity of the terminals to unload those cars rather than the supply of cars. I think I can assure the hon. member about the supply of cars available and already loaded for that movement.

Inquiries of the Ministry

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—SPOTTING OF GRAIN CARS ALREADY IN VANCOUVER YARDS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct my question to the Minister of Labour. It also concerns the minister in charge of the Wheat Board. Since more than 1.5 million bushels, or over 700 carloads, of grain are on hand in the yards at Vancouver and since the strike is slated to commence at noon, Monday, would the two ministers concerned—and I specifically ask the Minister of Labour—endeavour to persuade the enginemen involved in yard services at Vancouver and the railroads to make every effort to spot those 700 cars between now and next Monday so that an additional 1.5 million bushels may be unloaded?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I think that is a very progressive suggestion and I will contact them immediately. I wonder if I might also be allowed to say that in my efforts to get the men back to work in Vancouver I have been ably assisted by the hon. member for Moose Jaw and the hon. member for London East, both of whom are members of that particular union. Their efforts have been greatly appreciated.

Some hon. Members: Hear, hear!

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—POLICY RESPECTING UTILIZATION OF VANCOUVER GRAIN STORAGE CAPACITY

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, may I ask the minister in charge of the Wheat Board a supplementary question. Am I to understand from his answer that it is the settled policy of the Wheat Board and of his department to keep 10 million bushels of the 25 million bushel capacity on the west coast vacant or as working space? Is that what the minister said?

Hon. Otto E. Lang (Minister of Manpower and Immigration): No, Mr. Speaker. I should first of all point out my reference to screenings, which is not an inconsiderable quantity. Sometimes some millions of bushels of capacity can be taken up in that way. The objective of the Wheat Board is to assure that stocks are at such levels that boats can be met and also in order that the terminals themselves can operate with maximum efficiency. We are facing a period of months, and have been, when we will be testing the capacity of the terminals to put grain through them, and it is therefore extremely important that stocks do not rise above levels which allow the most efficient operation of those terminals. In the opinion of the Wheat Board, that would be about 15 million bushels of grain.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—GRAIN SALES LOST BECAUSE OF LABOUR UNREST

Mr. Jack McIntosh (Swift Current-Maple Creek): I have a supplementary question for the minister responsible for the Wheat Board. Can he inform the House as to the amount of sales that have been lost because of the

unfortunate labour unrest on the west coast and does he anticipate any further losses in grain sales due to this unfortunate situation?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I have been continually heartened by the extremely effective work of my colleague, the Minister of Labour. I share with him the optimism that the threat of a strike for any long period of time across the country may yet be avoided. The difficulties in the west, through what is effectively a strike, during the past week or so have certainly inconvenienced the flow of grain, but there is no evidence yet of any lost sales. Of course, the effective operation of the port of Vancouver is a part of our over-all position in promoting sales of grain in that direction out of Canada. This is why I share the concern and hope of the Minister of Labour that the parties come to an agreement so that we do not face additional difficulties.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—STOCK OF GRAIN ON HAND AT VANCOUVER—NUMBER OF SHIPS THAT CAN BE LOADED

Mr. Paul Yewchuk (Athabasca): My supplementary question is also for the minister responsible for the Wheat Board. Can the minister indicate how much stock there is in Vancouver at the present time and how many ships can be loaded with the existing stock?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I do not have an up to the moment figure. According to yesterday's figure, I believe stocks had been reduced to something in the order of five million bushels. There were seven boats at berth still taking on grain. Some boats were waiting for which no grain was available in the Vancouver terminal at that point in time. The type of grain for which they were waiting was not available in the terminals. Until further unloadings take place, those ships cannot be loaded.

Mr. Speaker: There are still a number of hon. members who want to ask supplementaries about this same matter. I realize how important it is, but perhaps at an early moment we might give consideration to going on to another subject and eventually returning to this very important matter. I will recognize supplementaries for a few minutes, beginning with the hon. member for Edmonton Centre.

Mr. Steven E. Paproski (Edmonton Centre): My question is for the Minister of Labour. Now that there seems to be some success in the strike negotiations, is the minister having Information Canada prepare five-foot, glossy photos of himself for distribution to union locals?

Mr. Speaker: Order, please. This may be the moment at which we should go on to another subject.

[Mr. McIntosh.]

[*Translation*]

AGRICULTURE

FEED GRAIN—MEASURES TO ESTABLISH PRICE PARITY BETWEEN EASTERN AND WESTERN CANADA

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I would like to put a question to the Minister of Agriculture.

In view of the fact that since November 1970, feed grains in Montreal's harbour cost twice as much to eastern farmers as they do to their western counterparts, does the minister or his department consider taking steps to improve the situation in order to achieve cost parity between eastern and western producers?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there has been no significant change in the cost of transportation. There has been an increase in the price of feed grains all across Canada, perhaps more in western Canada than in eastern Canada. If the hon. member is addressing himself to whether or not we are going to do something about this, I do not think that we are intending to take action that would reduce these prices because until recently they have been at very depressed levels.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct a supplementary to the hon. Minister of Agriculture.

Could he at least commission a study by officials in his department to ensure that eastern producers are not penalized with respect to production costs while western producers are in a privileged situation in this regard?

[*English*]

Mr. Olson: Mr. Speaker, I do not accept the premise on which that question is based.

* * *

UNITED NATIONS

REPORTED CONSIDERATION OF HOLDING ASSEMBLY MEETING IN GENEVA—CANADIAN POSITION

Right Hon. J. G. Diefenbaker (Prince Albert): I wish to direct a question to the Secretary of State for External Affairs in connection with the reported consideration being given to the matter of having the United Nations Assembly meet in Geneva. What is Canada's attitude in this regard? As the United States will be facing a presidential election next year, has it taken a stand that if removed from the United States it would be more conducive to arriving at an agreement in the assembly on the Israeli-Arab question than would otherwise be the case? What are the reasons this change is being considered?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Like the right hon. member, Mr. Speaker, I heard the report on television last night and on the radio this morning. It was the first report I had heard of this possibility. It has not been considered or brought before

the Canadian government or, so far as I know, before the United Nations. Personally, I would not accept the reasons given for the change of venue because I believe this would do damage to the United Nations.

Mr. Diefenbaker: Mr. Speaker, may I say I am inclined to agree with the minster's view, I would ask him whether the spokesman, for the CBC, if I may use that expression, spoke with the authority of a representative for our country in New York, and has any member of the establishment in the Department of External Affairs communicated with him to find out why the CBC representative has better sources of information than the minister himself?

* * *

[*Translation*]

REGIONAL ECONOMIC EXPANSION

POSSIBLE REVISION OF POLICY—STATEMENT BY MEMBER FOR MATANE

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to direct my question to the hon. Minister of Regional Economic Expansion.

In view of today's Canadian Press report to the effect that the member for Matane (Mr. De Bané) has said that the government should as soon as possible revise its regional development policy which is bound to fail because nobody wants to pay for it, does the hon. minister intend to revise the orientation of his regional development policy in order to invest more money in the underdevelopped areas of the country with a view to fighting unemployment and poverty more efficiently?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I shall meet with the hon. member and inquire as to his exact words before making any comments.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

REPORTED HANDING OVER OF FILM OF ALTERCATION BETWEEN LABOUR BODIES TO MONTREAL POLICE

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Secretary of State arising out of a report that the CBC had handed over to the police in Montreal some film taken of an altercation between two labour bodies in the city of Quebec a week or more ago. Is the minister aware that this was done by the CBC? If not, would he look into the matter and also find out whether it has become the policy of the corporation to give film taken of people who were not aware of the purpose of the film to the police?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am not aware of those facts, but I shall inquire in order to give the hon. member an answer.

[*English*]

NATIONAL SECURITY

DISCUSSION WITH QUEBEC ON ESTABLISHMENT OF SPECIAL PROVINCIAL SECURITY AGENCIES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Solicitor General whether there has been any discussion with the government of Quebec on the question of the establishment of special security agencies in that province to anticipate terrorists and to gather inside information on terrorists, and does the government consider such proposition to be constitutional?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, we are in constant communication with Quebec Provincial Police authorities and when they ask us to help them in their work, we do the best we can within this framework. It is not up to us to decide what their structures will be and what kind of organization they will set up.

[*English*]

Mr. Baldwin: Have the government of Quebec complained to the minister or to the government of Canada that the traditional law enforcement agencies are not adequate and for that reason they are contemplating these new measures?

[*Translation*]

Mr. Goyer: Mr. Speaker, there is no doubt that in the area of internal security, the provinces are responsible for law enforcement within their territory. As far as we are concerned, we have to collect all useful information to keep the government advised of what is going on in the country.

* * *

FINANCE

FREEING OF CANADIAN DOLLAR—MEASURES TO ASSIST INDUSTRY

Mr. René Émard (Vaudreuil): Mr. Speaker, I have a question for the Minister of Finance.

Following the decision of the Finance Department to let the Canadian dollar fluctuate freely on the international market, the minister stated that if some industries were hurt, they would be helped through special measures. Is the minister ready to tell us what measures he intends to take?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, if one looks back at the statement I made at the time one will see I indicated that there were measures within the Department of Industry, Trade and Commerce to help industries of this sort.

Inquiries of the Ministry

[*Translation*]

FREEING OF CANADIAN DOLLAR—FINANCIAL DIFFICULTIES OF PULP AND PAPER INDUSTRY

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I have a supplementary question. Yesterday the Minister of Finance stated in the House that the difficulties of the pulp and paper industry do not arise only from the unpegging of the Canadian dollar. Could he tell the House if his officials or himself are aware of the other known factors bearing on the present financial difficulties of the pulp and paper industry?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I said yesterday that it was not the sole reason. I think part of the difficulty might be explained as well by the 30 per cent wage settlement that they reached last year.

* * *

NATIONAL DEFENCE

REMOVAL OF UNEXPLODED AMMUNITION FROM MEAFORD TANK RANGE

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct my question to the Minister of National Defence. In view of the fact that there is a large quantity of unexploded ammunition scattered over several areas of the Meaford tank range and that this is a constant danger to people wandering over the property which is unguarded, would the minister give early consideration to using some of our unemployed people, under proper supervision, on the job of cleaning up this menace?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, the method suggested by the hon. member does seem a little drastic. However, I might inform him that the Defence Research Board has under way a study of processes by which ammunition might be searched out of the ground and made harmless by somewhat less dangerous methods than the hon. member suggests.

* * *

CAPE BRETON DEVELOPMENT CORPORATION

REPORT ON FUTURE PLANS AND RECOMMENDATIONS

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, I have a question for the Minister of Regional Economic Expansion. In light of the statement by officials of the Cape Breton Development Corporation on March 8 that they would be presenting the minister with their future plans and recommendations for an economic blueprint for Cape Breton on March 31, may I ask the minister whether he has received such report? If so, how soon will it be made public?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I have not received the report yet and I must receive it before I can decide when it will be made public.

Mr. Muir: A supplementary question. Is today's date of any significance since the minister has not received the report?

[Mr. Benson.]

HEALTH

INCREASE IN FUNDS TO COMBAT ALCOHOLISM

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question I want to ask the Minister of National Health and Welfare. Having in mind the approximately $1 million a day federal tax income from the sale of alcohol and the almost total absence of any federal funds to combat alcoholism, may I ask the minister whether he is giving consideration to increasing the funds for that very necessary purpose?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I believe on the health side the Department of National Health and Welfare is funding various programs, not only generally but with particular reference to the Indian community, who themselves have submitted projects for financial support. On the welfare side, through the Canada Assistance Plan we are assisting the provinces in the treatment of alcoholics, and so on, who fall within the category of needy persons.

* * *

[*Translation*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—SUBMISSIONS OF APPLICATIONS TO FEDERAL GOVERNMENT

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

Referring to his answer yesterday to the hon. member for Roberval with regard to the right of veto of the province of Quebec in the case of youth programs, the minister said that the information of the member for Roberval was incomplete and erroneous. In the meantime, the Quebec government, through Mr. Bourassa, stated that the province had secured the right to veto any federal initiative in the field of student employment.

In view of those contradictory statements, I ask the minister specifically whether the federal government will have the final say with regard to any student program?

Hon. Gérard Pelletier (Secretary of State): I want to stress above all, Mr. Speaker, that the two statements are not contradictory, as the hon. member claims. I will read back what I said yesterday:

—that the federal and provincial governments had agreed to make joint decisions which do not adversely affect the priorities of the one or the others.

Whether the hon. member wants to call it having a say in the matter, or veto rights, or whatever he wants to call it, I repeat that what is actually involved is making joint decisions compatible with priorities of both governments.

Mr. La Salle: In view of this reply, Mr. Speaker, can the minister tell us whether the federal government, should it decide to implement a project, would need the agreement of Quebec to do so?

Mr. Pelletier: I have said before and I say so once more, that an official will be delegated to take decisions jointly with us and the federal government's final course,

lacking agreement of Quebec or another province, would be to cancel any project about which there was no agreement.

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to ask a supplementary question.

Would the minister then give an explanation concerning Mr. Quenneville's statement to the effect that Quebec would have the last word in this matter?

Mr. Pelletier: I do not see how, Mr. Speaker, I could be asked to interpret the statements of all provincial ministers in Canada. This would be quite difficult and would require a great deal of work.

* * *

[*English*]

UNEMPLOYMENT INSURANCE

STATE OF FUND—STIMULATION OF ECONOMY TO REDUCE UNEMPLOYMENT AND BENEFIT PAYMENTS

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I should like to direct a question to the Minister of Finance. Can he bring the House up to date on the present state of the unemployment insurance fund?

Hon E. J. Benson (Minister of Finance): Mr. Speaker, I would have to get up to date figures for my hon. friend.

Mr. Hees: I have a supplementary, Mr. Speaker. As the heavy withdrawals from that fund have been considerably added to by the additional unemployment caused by the serious drop in retail sales, export sales and freight car loadings which has taken place since the first of the year, has the government given consideration to slowing down these very rapid withdrawals from the fund by stimulating the economy and thereby reducing the unemployment which is causing these withdrawals?

Mr. Benson: Mr. Speaker, that was a pretty good speech. I am sure my hon. friend is upset that all signs are that the economy is turning upward.

Mr. Hees: A further supplementary—

Mr. Speaker: Order, please. I will recognize the hon. member for a supplementary but we are running short of time again and there are a number of members who tried to ask questions yesterday who are still trying today. I would invite the members of all parties on the front benches to give a chance to their distinguished colleagues at the back of the House.

Some hon. Members: Hear, hear!

Mr. Hees: Mr. Speaker, in view of the minister's answer I should like to ask him if he would advise the House just how high unemployment must rise before the government snaps itself out of its monolithic lethargy and does something to halt growing unemployment?

Mr. Speaker: Order, please.

Inquiries of the Ministry

[*Later:*]

PROTESTS BY TEACHERS AGAINST INCLUSION IN NEW PROGRAM—COST-BENEFIT RATIO

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, my question is supplementary to a question my colleague on the front bench addressed to the Minister of Labour in respect of unemployment insurance. Would the minister indicate to the House how many letters he has received from teachers and teachers' groups protesting the inclusion of the teaching profession in the new unemployment insurance program? Also, in researching the legislation, was a figure arrived at in respect of the cost-benefit ratio for teachers in contributing to unemployment insurance unde rthe new program, and what was that figure?

Mr. Speaker: The member is asking for what obviously is statistical information. This kind of question should be placed on the order paper. As an alternative, the member knows that the bill to which he is referring will be before the House in due course and I would think that would be the time to seek this kind of information.

* * *

GRAIN

COMMERCIAL CARRY-OVER OF WHEAT—MENZIES COMMITTEE RECOMMENDATION—DISCUSSION OF REPORT WITH FARM ORGANIZATIONS

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to direct my question to the minister responsible for the Wheat Board. Is the government accepting the principle that there be no commercial carry-over of wheat in excess of 200 million bushels as outlined in the Menzies report on grain marketing?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, we will certainly be examining very closely with the Wheat Board the view of the Menzies committee. The Wheat Board itself had drawn some conclusions about the amount of wheat which would be required in commercial storage positions and is satisfied that 250 million bushels is adequate. They may review the situation further in view of the Menzies committee's recommendation.

Mr. Speaker: Order, please. It would seem to me that we are to some extent returning to the original question. There are again eight, nine or ten supplementaries sought on this subject. Perhaps hon. members would want to finish the question period on this subject. For the moment the Chair will recognize the hon. member for Vegreville on a supplementary.

Mr. Mazankowski: This is not a supplementary, Mr. Speaker.

Mr. Speaker: The hon. member for Lisgar on a supplementary.

Inquiries of the Ministry

Mr. Murta: Mr. Speaker, I should like to direct my supplementary to the minister responsible for the Wheat Board. Is the government considering holding any form of hearings in western Canada to discuss the Menzies report with farm organizations and particularly producer organizations?

Mr. Lang: Mr. Speaker, we will certainly be interested in having consultations with these organizations as we have in the past in respect of various proposals and measures that have been put forward. I personally will look forward to receiving the views of these organizations on both formal and informal occasions.

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HOUSE OF COMMONS

SUGGESTED USE OF GIRLS AS PAGES

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the President of the Privy Council as Government House Leader. In view of the progressive attitude taken by the Ontario legislature in including girls as pages in the Legislative Assembly, can the Government House Leader say whether consideration is being given to including girls as pages in this chamber?

Mr. Speaker: Order, please. The hon. member will appreciate that that is a responsibility of the Speaker.

* * *

REGIONAL ECONOMIC EXPANSION

FUTURE USE OF RIVERS AIR BASE

Mr. Craig Stewart (Marquette): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. Has his department reached a decision on the future use of the Rivers air base and, if not, when can Manitoba expect an announcement?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, we are in contact with the Manitoba government with regard to the two bases of Rivers and Gimli. As soon as an agreement is reached with the Manitoba government, I will be happy to inform the House.

[*English*]

[*Later:*]

Mr. Stewart (Marquette): Mr. Speaker, as Rivers is facing slow death as a result of no action, is the minister's department assisting the Department of Indian Affairs and Northern Development in its negotiations for the base and what is the state of these negotiations?

Mr. Marchand (Langelier): Mr. Speaker, there is no doubt the Department of Indian Affairs and Northern Development is the one most involved in the Rivers base. I do not know what the situation is right now but I will get the information from that department and I can supply it to the hon. gentleman.

[Mr. Speaker.]

NATURE OF NEW PROGRAMS FOR PRAIRIE PROVINCES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to direct my question to the Minister of Regional Economic Expansion. In light of the fact he has announced that there will be new programs under his department assigned to the Prairie provinces, can the minister indicate whether these programs will take the form of extensions to existing designated regions or will take the form of extra special areas as was announced last year?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, first I should like to know to what statement the hon. member is referring.

Mr. Mazankowski: I am referring to a Canadian Press article of March 30.

Mr. Speaker: Order, please.

* * *

GRAIN

USE OF FULL CAPACITY OF VANCOUVER TERMINAL ELEVATORS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the minister who reports for the Canadian Wheat Board. In view of his intimation that perhaps as many as 10 million bushels of the capacity of the Vancouver terminal grain elevators cannot be used in association with maximum efficiency in terms of loading, has a study been undertaken concerning what would be involved in enabling the total capacity to be used efficiently, has that study been completed, has a decision been made to implement such a program, and what would it cost?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I think one should appreciate that, in the nature of grain handling operations, when you are handling many grades of grain at many stages from unloading through clearing to loading on ships, it is inevitable that you must have additional apparent capacity compared with the usable capacity to have the terminals operate at peak efficiency. This is universally true and not something that exists specially in the Vancouver region.

Mr. Stanfield: Am I to take it, Mr. Speaker, that the minister regards the effective capacity of the elevators and the loading system at Vancouver as amounting to some 15 million bushels and that no plans are under way to adopt a program to enable increased use of the storage capacity which exists there?

Mr. Lang: The point I was making is that the terminals are designed essentially to serve the function of putting grain through rather than holding it. The important factor is the quantity of grain which can go through. We have in the months of January, February and March put through Vancouver a record quantity of grain, more than ever before in those months in our history.

Some hon. Members: Hear, hear!

Mr. Speaker: Order. It seems to me we are at this point entering the field of debate and running short of time as well.

* * *

[*Translation*]

WELFARE

SOLUTIONS TO PROVINCIAL PROBLEMS

Mr. Henry Latulippe (Compton): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare.

As the Minister is preparing for the second provincial conference on social welfare to be held shortly, would he tell the House what kind of measures he intends to submit in answer to the numerous complaints made by the Canadian Welfare Council?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I shall take the question as notice on behalf of the Minister of National Health and Welfare.

* * *

[*English*]

CANADIAN BROADCASTING CORPORATION

TERMINATION OF PROGRAM, "RADIO NOON"—REQUEST FOR RETENTION

Mr. William Knowles (Norfolk-Haldimand): My question is to the Secretary of State who reports for the Canadian Broadcasting Corporation. In view of the fact that great concern is being expressed that the farm radio program known as "Radio Noon" is now to be withdrawn, can the minister tell us whether in fact this is about to take place?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I have not been informed of it, Mr. Speaker. I will inquire and report to the hon. member.

[*English*]

Mr. Knowles (Norfolk-Haldimand): Since this program enjoys one of the highest ratings, both rural and urban, across Canada, would the minister use his good offices to see that this program is retained?

* * *

POLLUTION

GREAT LAKES—ESTABLISHMENT AND ENFORCEMENT OF INTERNATIONAL AIR AND WATER PURITY STANDARDS

Mr. Randolph Harding (Kootenay West): I have a question for the Secretary of State for External Affairs. In view of the need to establish uniform international standards for the purity of both air and water in the Great Lakes area, is the minister giving consideration to the recent recommendation that the International Joint Commission set these standards and enforce them through its respective federal jurisdictions?

Inquiries of the Ministry

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. The report of the International Joint Commission on pollution in the Great Lakes is under study by the two governments of Canada and the United States.

* * *

COMBINES

RAIDING OF OFFICES OF NEW BRUNSWICK NEWSPAPERS BY POLICE AND OFFICIALS

Mr. Thomas M. Bell (Saint John-Lancaster): I have a question for the Acting Minister of Consumer and Corporate Affairs who may be the Solicitor General. Can he tell us whether in fact the offices of the daily newspapers in Saint John, Fredericton and Moncton were raided by the RCMP and officers of the combines branch yesterday and, if so, for what reason?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am not aware of the fact, but I will surely look into the matter and give a reply to the hon. member.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question. Would the minister, when looking into this matter in order to reply to my hon. friend from Saint John-Lancaster, also ascertain whether or not these proceedings are the consequence of a vicious vendetta conducted by Senator McElman under parliamentary protection in the Senate?

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—EXTENSION OF DEADLINE FOR APPLICATIONS IN ISOLATED COMMUNITIES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I direct my question to the Minister of Manpower and Immigration. It concerns the Opportunities for Youth program. In view of the lack of time remaining generally, and the lack of any information going to remote and isolated communities, is the hon. gentleman's department considering extending the deadline as it applies to these areas in order that they may participate in the Opportunities for Youth program?

Hon. Otto E. Lang (Minister of Manpower and Immigration): This program comes under the jurisdiction of the Secretary of State.

Mr. Marshall: May I redirect my question to the Secretary of State, Mr. Speaker? I will repeat it. In view of the lack of time remaining generally, and the lack of information going to remote and isolated communities, is the hon. gentleman's department considering extending the deadline as it applies to students in such areas in order that they may participate in this program?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker, we are looking into this matter.

Inquiries of the Ministry

[*English*]

CANADIAN BROADCASTING CORPORATION

USE OF PROGRAM, "SESAME STREET", IN LIGHT OF RULING BY CANADIAN RADIO-TELEVISION COMMISSION

Mr. John L. Skoberg (Moose Jaw): This question is also directed to the Secretary of State. Taking into consideration the ruling of the CRTC with regard to "Sesame Street", can the minister tell us whether or not this program will be entertained by the CBC?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I do not have any specific information from the Corporation in that connection. As soon as I obtain some details, I will convey them to the hon. member, if he states again his question, since Your Honour does not allow us to answer questions unless they are put a second time.

* * *

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT—EASTER RECESS

Mr. Baldwin: May I be permitted, Mr. Speaker, to ask the President of the Privy Council about the business for the rest of this week and next week, and whether or not there is any change contemplated in the date for the beginning of the Easter recess in light of the situation in western Canada?

Mr. MacEachen: The present plan is to adjourn for the Easter recess on April 7, next Wednesday, and to return on Monday, April 19. It may be that developing events will influence those dates; I cannot say.

We shall continue with the government organization bill after we have completed the three veterans bills, which will be called first today. I have the textile bill very much in mind also and, hopefully, will confer with the House leaders as to the manner in which we might dispose of items of business before the Easter recess, keeping in mind that after we have disposed of the government organization bill as the next major item I should like to call one of the labour bills, probably the unemployment insurance legislation.

Mr. McGrath: In view of the fact that 12 standing committees of the House are meeting today, requiring the presence of more members of the House than, I suspect, are present, and in view of the fact that some of those committees are meeting without a quorum and hearing evidence, and also bearing in mind that the House is sitting in Committee of the Whole on an important measure, the government organization bill, is the leader of the House giving consideration to revising the whole system of committees with a view to reducing the number of committees which are sitting and making them more omnibus in their nature?

Mr. MacEachen: I have under very active consideration the difficulty which is posed when the Committee of the Whole is sitting at the same time as a large number of standing committees. As the hon. member knows, on the last occasion a large number of these committees were meeting while this bill was under consideration in Committee of the Whole, several of the sittings of other committees were adjourned because the attendance of members was required in Committee of the Whole. It might be necessary to do that later today if we complete the veterans bills while the standing committees are in session.

Mr. McGrath: Since the fact that these 12 standing committees are meeting makes it impossible for hon. members to attend to their duties in a practical way, do I understand that these committees will not be required to function today if the House is to meet in Committee of the Whole to consider the government organization bill?

Mr. MacEachen: That is not necessarily the conclusion. If we do reach the government organization bill while these committees are meeting and members are required in the House, then it might be possible to make arrangements of that kind.

Mr. Ricard: Why does the leader of the House not undertake now to have the textile bill considered first and then proceed with the organization bill?

An hon. Member: Your party is against it; that's why.

Mr. Speaker: Order, please.

Mr. MacEachen: I am very keen on getting the textile bill completed but we have made arrangements to begin this afternoon with the veterans bills.

• (3:00 p.m.)

GOVERNMENT ORDERS

CIVILIAN WAR PENSIONS AND ALLOWANCES ACT

AMENDMENT TO INCREASE PAYMENTS

[*Translation*]

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved that Bill C-232, to amend the Civilian War Pensions and Allowances Act, as reported (without amendment) from the Standing Committee on Veterans Affairs, be concurred in.

Motion agreed to.

Mr. Speaker: When shall this bill be read the third time?

Some hon. Members: Now.

Mr. Dubé moved that the bill be read for the third time and do pass.

Motion agreed to, bill read the third time and passed.

[*English*]

WAR VETERANS ALLOWANCE ACT, 1952

AMENDMENT TO INCREASE TABLE AND CEILING OF ALLOWANCES

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved that Bill C-233, to amend the War Veterans Allowance Act, 1952, as reported (without amendment) from the Standing Committee on Veterans Affairs, be concurred in.

Motion agreed to.

Mr. Dubé moved that the bill be read the third time and do pass.

Mr. William Knowles (Norfolk-Haldimand): Mr. Speaker, we on this side of the House are very pleased to see the high priority which has been given to this piece of legislation. It is important that it should be passed now, and I shall take only three or four minutes so as not to impede the progress of the bill.

First, Mr. Speaker, on behalf of all members of the Standing Committee on Veterans Affairs I would like to say how much we missed the hon. member for Nipissing (Mr. Legault) who has been hospitalized as a result of a coronary. We hope he will soon be restored to good health. The hon. member for Sarnia-Lambton (Mr. Cullen), as vice-chairman of the committee, was able to substitute in a very commendable manner and to maintain the same decorum, the same spirit of co-operation and of non-partisanship that characterizes that committee.

The object of all members of the committee, as always, was to improve the lot of our veterans. After all, they are the people who gave of themselves in the cause of our country. The very best evidence of the correctness of the decision which Your Honour made when you suggested that these items be taken out of the estimates and introduced as three specific pieces of legislation, came when a very useful amplification of the legislation was given to the committee. The committee hearings provided an opportunity for the Minister of Veterans Affairs (Mr. Dubé) to clarify some of the rather hazy clauses, and the results which their passage would have upon veterans. A lot of us did not know what was involved, and I am sure a great many of the veterans did not know either, at least to judge by the number of letters which all hon. members received from them.

The minister's presence was much appreciated. His statements were also greatly appreciated, particularly the one relating to veterans allowances. It was on that matter that a great deal of confusion originally existed. Veterans are now being asked to apply for old age security pensions and guaranteed income supplements. We wondered how this would affect their status as veterans. The thing that bothered a lot of people was that a veteran may now be forced to pay income tax on his old age security pension and supplement, whereas he was exempt from income tax on his war veterans allowance. In the committee the minister was not able to say whether, in fact, this would be the case. He said it would be up to the Minister of Finance (Mr. Benson) and the Minister of National Revenue (Mr. Gray) to decide whether or not this portion of a veteran's income would still be exempt from income tax.

One other small point which was raised concerned the fact that under the proposed new arrangement a veteran cannot live outside Canada for a whole year. For example, if he happens to have good friends who are able to take him away for a long holiday, say to the southern United States, he must return to Canada to qualify for pension, as do all people under the old age security pension scheme.

There were some other minor benefits about which we were also concerned, but again I say that Your Honour's decision meant that specific legislation had to be introduced and this enabled members of the committee to be enlightened further on the subject. Having made these few comments, may I add that we in this party are more than willing to give third reading to these important pieces of legislation. Our only regret is that it took so long to have them introduced. Since it took so long, we think the proposed benefits should be made retroactive to January 1, 1971, instead of coming into force on April 1, as is now the case.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I join with my namesake, the hon. member for Norfolk-Haldimand (Mr. Knowles), in expressing our regret at the illness of the Chairman of the Standing Committee on Veterans Affairs, the hon. member for Nipissing (Mr. Legault). We all wish him an early and speedy recovery.

Your Honour will recall that on Wednesday, March 10, when you ruled on a point of order having to do with the use of dollar items to effect certain kinds of legislation, you expressed the hope that although your ruling was going to make it necessary to have three separate bills introduced, nevertheless, since these matters related to veterans, the House would expedite the handling of this legislation. I can assure you that you expressed at that time the view of members generally. We dealt with this legislation expeditiously in Committee and are most anxious that there be no delay whatsoever in putting into effect the three bills, third reading of which we are dealing with this afternoon.

As the House is aware, we have already given third reading to Bill C-232, to amend the Civilian War Pensions and Allowances Act, without debate, and unless somebody upsets the understanding the same will happen to Bill C-234, the bill to amend the Pension Act. But some of us feel that with respect to the War Veterans Allowance Act amending bill, there are a few things that should be said. Since I have indicated that we are not debating the other two bills, perhaps I might be permitted just to say that we welcome the 10 per cent increase in disability pensions provided in the next bill. We wish it were more, but we know that at this stage of the game the chances of getting an increase are not enhanced by further debate. That is why we are giving our approval to the other two bills without debate.

However, with respect to the changes in the War Veterans Allowance Act, although we welcome the increase of 15 per cent in the amount that can be paid as an allowance to war veterans allowance recipients, there are some ancillary things that have been done which we do not like and some things that ought to have been done which are not before us. What is happening is that the maximum amount that can be paid in the case of a single war veterans allowance recipient is being raised by 15 per cent from $105 a month to $121 a month. In the case of a married recipient, it is being raised from $175 a month by 15 per cent to the new figure $201 a month. In the case of these increases, it is roughly 15 per cent or it is 15 per cent, in round figures.

• (3:10 p.m.)

When it came to adjusting the ceilings on permissible income however, remembering that these allowances are under a means test, the government did not raise the ceilings by 15 per cent but only by the same dollar amount as the increases in the allowances themselves. The result is that the increase in the permissible income for a single war veterans allowance recipient is only 11 per cent and for a married recipient it is only 10 per cent. I should like to point out also that the amount of other income that a war veterans recipient can earn and still draw the full war veterans allowance is less than it was a number of years ago. We do not like that; we think the move should be in the other direction.

When the minister announced the changes on December 2, 1970, I pointed out that one of the effects of the new ceilings on the war veterans allowance payments, and the new provisions under the guaranteed income supplement, is that the preferential position of veterans on the war veterans allowance as compared with civilian pensioners has been narrowed. Under the former legislation a single war veterans allowance recipient could have, as a combination, $145 a month. At that point the ceiling for a person on the guaranteed income supplement was $105 a month. In other words, the single war veterans allowance recipient enjoyed a preference of $40 a month. Now, however, the ceiling on the income that a single war veterans allowance recipient can have is $161 a month, and the maximum under the old age security and guaranteed income supplement is $135 a month, so the difference is only $26 a month. In other words, the single war veterans allowance recipient who is unable to work and has no other income now has an advantage, and most of us in this House think he should have an advantage over the non-veteran, of $14 a month less than was the case before these two pieces of legislation were changed.

Under the former setup the married war veterans allowance recipient could receive $245 a month; under the guaranteed income supplement it was $210 a month or a spread of $35. That has been reduced. Now, the maximum permissible income under the War Veterans Allowance Act will be $271 a month as opposed to $225 a month combined old age security and guaranteed income supplement. In other words, the married war veterans allowance recipient's preference has been reduced from $35 a month to $16 a month. I think I am quite justified in saying that in these cases veterans are being short changed. They are being given $14 less preference if single and $19 less if married. I do not think the people of Canada feel that we should short change our veterans that way.

[Mr. Knowles (Winnipeg North Centre).]

These matters, Mr. Speaker, relating to the income that war veterans may have and still receive the war veterans allowance, are not covered directly by statute. The Statute permits the war veterans allowance board to deal with them by regulation and many of the changes to which I object have been made by regulation. I protest that the new ceilings were not made higher, and I protest that the preference for veterans was not at least maintained. Many of us in this House would like to go much further, but I think it is unfortunate that this change for the worse is being made. I know there are some on the government side who will ask what we are complaining about since veterans are going to get more money. But other people are getting more money, too, and I think we have a duty to our veterans that is not fully discharged by short-changing them in this way.

My friend, the hon. member for Norfolk-Haldimand (Mr. Knowles) has already referred to some of the results flowing from a decision made by the war veterans allowance board and concurred in by the Governor in Council. This is something over which we have no control in Parliament. The decision was that war veterans allowance recipients from now on must apply for the guaranteed income supplement if they are aged 65 or over. Some may ask if there is a law that forces people to apply. The fact is that a regulation has been passed to the effect that if they do not apply for the guaranteed income supplement they will be regarded as having applied and their war veterans allowance will be cut back accordingly.

Some may argue that it makes no difference, that in the end the ceiling is the effective figure, that a single war veterans allowance recipient ends up with $161 a month and a married war veterans allowance recipient ends up with $271 a month whether it is made up of OAS and WVA or OAS, GIS and WVA. That is quite true; the ceilings in the War Veterans Allowance Act are the determining factors on how much income will be received. But there are a number of other factors that veterans do not like and I share their point of view.

Perhaps the first factor is psychological, but a psychological factor can be very real. Veterans like to feel that what is being done for them, if it is not a matter of right as it is under the Pension Act and if there has to be a means test proposition as there is under the War Veterans Allowance Act, at least is being done under war veterans legislation. For them to be told to move over to the kind of legislation that is general welfare is not what they were led to believe would be their lot when they enlisted in the armed forces. I do not think it is right to tell these people that they must move over to the welfare side, rather than getting what is their due under veterans legislation.

In addition to the psychological disadvantage that veterans feel flows from this change, there are a few other things. The previous speaker has already referred to the income tax situation. I know that the Minister of Veterans Affairs (Mr. Dubé) is not in a position to disclose income tax secrets, not even in a meeting of the Standing Committee on Veterans Affairs. He could tell us what is in the white paper on taxation with which we are all familiar but, in effect, he asked us to believe that when it becomes legislation veterans will not be taxable because they have been moved over to the guaranteed income supplement. I say that is a pig-in-a-poke. We do not know what is going to happen in terms of income tax reform; we do not know what the figures are going to be. Certainly for the month of April the income tax law is such and the exemption levels are such that veterans, having been put on old age security and the guaranteed income supplement, will find that their income is subject to income tax, and their net income will thus be reduced. On the other hand, if a reasonable portion of a veteran's income were made up of veterans allowances, that would not be taxable income. Until such time as the income tax law is changed, this will be the picture and veterans will face the possibility or probability of paying income tax, and thus receiving a reduced net income, as a result of this government's action in forcing them to apply for the guaranteed income supplement. This I do not like.

• (3:20 p.m.)

Another element came out in the meeting of the Standing Committee on Veterans Affairs yesterday. I think, in this respect, that I must say the minister met our point. When he asks the House to believe something that the Minister of Finance (Mr. Benson) will do, he is asking us to buy a pig-in-a-poke. But when he tells us what he will do, I feel that he is speaking for himself. I refer to the fact that we complained that the benefit of the 2 per cent annual escalation that has taken place in the guaranteed income supplement which has been given to war veterans allowance recipients was being stopped. The minister said at the end of that discussion that there was no reason to believe it was stopped for all time. I plead that he make that a commitment. He and I already have made a bargain, to the effect that if he does not keep that commitment he can expect questions and late show debates next year to see that it is done.

At present the married veteran, let us say, gets a total of $271 as a result of getting the OAS and GIS, plus a little bit of the war veterans allowance. One year from now he can have his old age security and guaranteed income supplement increased by 2 per cent; but as the law now stands, unless something is done, the amount that he would get by way of an increase on the one hand would be taken out of the other. It would be taken away from his war veterans allowance, because the ceiling is $271. I say, quite readily, that the minister asked us to believe yesterday that he would not let that situation obtain next year. I accept his assurance in that matter. The law does not help us at this point. I plead that there be no cases next year of veterans having their war veterans allowance payments reduced to offset the increase that they get by way of an escalation in their old age security and guaranteed income supplement payments.

There was another area about which we had a good deal of discussion in the committee yesterday. Possibly hon. members will remind me that we went around in circles. We cannot do that in the House of Commons because we are only permitted to speak once. I am thinking of what is being done in respect of widows of war veterans allowance recipients. As the hon. member for Norfolk-Haldimand (Mr. Knowles) pointed out, there has been considerable confusion concerning benefits that veterans lose when they come off the war veterans allowance. It does not take very much extra income to make a veteran ineligible for war veterans allowance. A veteran may be getting the old age security pension and guaranteed income supplement. The war veterans allowance he can get, if he has nothing else, is only $26 a month in the case of a married veteran and only $16 a month in the case of a single veteran. Any veteran who has other income, say a small civil service pension, a pension from some other source, an annuity or what have you, may become completely ineligible for the war veterans allowance.

We were concerned about this, and concerned that this would result in the loss of all ancillary benefits available to a veteran being paid the war veterans allowance. The minister made it clear in a statement yesterday that there are two benefits which will not be lost. One of those would be the benefit under the treatment regulations and the other under the burial regulations, if you can call that a benefit, which you do not lose. The minister made it clear that if a veteran required treatment, he could get it, just as if he were in receipt of the war veterans allowance. If he is not on the war veterans allowance because he is getting the guaranteed income supplement, he will get the treatment, and that benefit will be available to him as long as he lives. That is good. He also made it clear that if a veteran is not receiving war veterans allowance because he is receiving the guaranteed income supplement, and that veteran dies, no matter whether that is one year from now or 20 or 30 years from now, he will be given the benefit of the burial regulations just as if he had been on the war veterans allowance. That is good, too.

Now, we come to the position of the potential widow. We were informed yesterday—and all this, I point out, has been done under the regulations governing the War Veterans Allowance Act—that if a veteran, who is not in receipt of war veterans allowance by reason of his being on the guaranteed income supplement, dies within a year of the time when he went off the war veterans allowance—and I emphasize that deadline—the widow will get the same consideration that she would have been given if the veteran had been in receipt of war veterans allowance. That brings to her one very important benefit, the married rate for a full year. But if he dies after a year has passed from the time when he went off the war veterans allowance, then she does not get that benefit at all. She may still have the rights that all other widows of

veterans have, the right to a widow's allowance under the War Veterans Allowance Act, but the particular right giving her one year's benefit at the married rate is taken away from the widow of a veteran who went off the veterans allowance more than one year before he died.

Today is April 1, the day when the new legislation comes into effect. Therefore, effective as of today, many veterans will no longer receive the war veterans allowance. Many of those veterans are married. If any such veteran dies during the next 12 months, his widow will get the benefit of one year's allowance at the married rate. If however, one of those veterans who is to come off the allowance today were to die 13 or 14 months from now, his widow would not get the benefit of the married rate for the full year. Granted that the allowance is only a stop-gap for one year, it is a right which has been of great assistance to many widows. Granted that she has the other rights, and so on; I know all the arguments we went into yesterday about putting people over 65 in the same position as those between 60 and 65, and so on. The fact of the matter is that we are taking something away that existed for years. We are taking away a right that was good and I do not think that should be done. It will not be necessary to bring in legislation to make this change. It can be done by regulation. I hope that one year from now, when complaints start coming in and other hon. members start asking questions, the minister will reconsider this whole matter and change the regulations to maintain for widows the same benefits that are available to them now.

I confess that the whole operation is one I do not like, and I have already said so. The operation of pushing veterans from the War Veterans Allowance Act to the guaranteed income supplement, which I think could quite properly be defined as being in the area of general welfare, I do not like.

Mr. Francis: The war veterans allowance is welfare.

Mr. Knowles (Winnipeg North Centre): The hon. member for Ottawa West (Mr. Francis) says that the War Veterans Allowance Act is a welfare measure. That is quite true. But it is a welfare measure for veterans, whereas the other is a welfare measure for the general population. As I tried to say when making my first point, it means something to veterans, even though some of them may have to go on welfare, if they are covered by their own legislation instead of by the general legislation.

I believe we should be moving in the other direction. In these days of unemployment all sorts of suggestions are being made. One of them is that, in order to permit more employment opportunities for young people, older people should retire earlier. In my view, this idea is sound, and I think we ought to make a start in the area of veterans and make it possible for veterans, because they are veterans, to retire early. A war veterans allowance program or special pensions for veterans at 55 or even 50 is the direction in which we should be moving. Instead, we are narrowing such welfare benefits as are already provided and I register my protest.

• (3:30 p.m.)

Mr. Speaker, like the hon. member for Norfolk-Haldimand, I am glad to see this 15 per cent increase in war veterans allowances. I wish it were more. I am glad to see the 10 per cent increase that will come in the bill that follows, which we do not plan to debate at the third reading stage. But I plead with the minister to do a great deal more in recasting these regulations to give our veterans the full benefits that I believe the Canadian people would like this Parliament to give to them.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I would like to make a few comments on Bill C-233 now before the House which deals with war veterans allowances.

I fully agree with the remarks made by the hon. member for Winnipeg North Centre (Mr. Knowles). As a matter of fact, he has dealt with this matter in a very detailed manner with the adroitness of a master.

Mr. Speaker, we are very happy to find that the government has yielded to the pressures of war veterans and is giving them a little more justice, because they certainly have rights and prerogatives which must be considered in order to take the required decisions.

I fully appreciate the decisions of the hon. Minister of Veterans Affairs (Mr. Dubé) and I should like to congratulate him heartily for his courage and his open-mindedness in doing justice to this oppressed social class.

We are happy that the government should grant these pension settlements which represent an approximate amount of $43 million, part of which will be absorbed by old age pensions.

Mr. Speaker, this is money just the same. Money paid out as old age security pensions even if it does not come out of the budget of the Department of Veterans Affairs, is still money. So, this will cost the Treasury $43 million more.

It is not the veterans' fault nor the hon. members' fault; but that of the system if the cost of living has increased and pensions and grants have to be increased again and again. There is no end to this. Everything increases, and eventually taxes have to be increased too.

I am glad that veterans' pensions are being increased, but I am dissatisfied that we have to increase taxes accordingly to pay our veterans what is rightfully theirs.

However, I agree concerning our veterans and all those who have given much of themselves, who have made countless sacrifices, and who have forsaken part of their existence to save the nation and to establish a certain priority with respect to justice and freedom in our society. They are the ones who fought for that. I still wonder though whether they were justified in doing so but, in any case, it was for the sake of freedom, of civilization, of Christianity, that they sacrificed part of their lives and

it is for the sake of all that also that we have increased their pensions.

Such increases cost money but still there are other groups of citizens in Canada who have needs that ought to be fulfilled, who would require increases in pension or income but there are only tax increases for them.

We must be fair and ensure equal opportunity in all of this. The increase in pension which is offered the war veterans by the minister of Veterans Affairs will draw their gratitude, all the more so since other citizens who also have the right to live are victims of certain disadvantages forced on them by the economic system.

I would like once again to state my admiration for the wonderful work done by the minister, and also by the hon. member for Winnipeg North Centre (Mr. Knnowles) who fights so well for the rights of the veterans, of the oppressed and of all those who are in need. I support him in his demands, even though we live in a system where we must often limit ourselves.

I believe, therefore, that the veterans will understand the situation and will be that much more satisfied with what the government grants them. We hope therefore that with higher pensions they will be a little happier, because while receiving a little more from the state, they will see that the latter saw their problems and decided not to forget them.

[*English*]

Mr. Jack Cullen (Sarnia-Lambton): As the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Norfolk-Haldimand (Mr. Knowles) have said, there will not be a protracted debate on these three bills. I join with the two hon. members in wishing my colleague, the chairman of the Standing Committee on Veterans Affairs, the hon. member for Nipissing (Mr. Legault), a speedy recovery.

Some hon. Members: Hear, hear!

Mr. Cullen: I stated yesterday in committee that I visited the chairman of this committee in hospital when he was quite ill, but it was not possible to go into his room. Notwithstanding this, he sent out the message that there were three pieces of veterans' legislation that he was most anxious to see passed. That is the measure of the hon. member for Nipissing.

Some of the points made by the hon. member for Winnipeg North Centre are well taken. The fact that the minister has brought forth these splendid pieces of legislation speaks well of him. The nitty-gritty attacks made by the hon. member for Winnipeg North Centre, some of which I support, must not serve as a smoke screen to hide what is, in effect, three splendid pieces of legislation. I believe they will put an additional $40 million to $50 million in the hands of these veterans.

I was very pleased yesterday to receive a letter from the Royal Canadian Legion asking that this bill be passed as expeditiously as possible. I thank the hon. member for Norfolk-Haldimand for his kind comments on the manner in which I chaired the committee yesterday. My job was made much easier by having been a member of this committee under two former capable chairmen, the hon. member for Ottawa West (Mr. Francis) and the hon. member for Nipissing. I was also assisted by the fact that these are three pieces of good legislation. More important, we received the complete co-operation of the opposition members sitting on that committee.

This piece of legislation should and will be passed expeditiously because all members of this House want to ensure that the veterans receive justice. I say to the veterans, do not rest on your laurels because of these three great pieces of legislation. Be ever vigilant and keep our committee informed of the improvements you would like to see in this and new legislation.

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I only propose to make a very few brief remarks on this important piece of legislation because, although I do not like to admit it, the hon. member for Winnipeg North Centre (Mr. Knowles) has already made most of the speech I would have made under these circumstances. We have similar views on a number of subjects which I find important and the hon. member has covered them carefully and accurately, so I do not propose to be repetitive.

• (3:40 p.m.)

However, I do want to say that all members of the Veterans Affairs Committee regret the fact that our very capable chairman, the hon. member for Nipissing (Mr. Legault), was unable, for health reasons, to be present while these bills were being considered. We wish him a rapid and complete recovery. At the same time we express our appreciation to the hon. member for Sarnia-Lambton (Mr. Cullen) for filling in so capably as chairman of the Veterans Affairs Committee.

I have been a member of this committee from time to time over the last 20 years or so, and I might say it is a committee that has functioned on a non-partisan basis. It is one that recognizes, regardless of party affiliation, one mutual concern of all its members, and that is that the veterans of the country who have fought in World Wars I and II, the Korean war and some other minor military engagements should be treated in the way that Canadians generally felt they should be treated at the time of these crises.

I regret one aspect of consideration that is given to the war veterans allowance legislation. It is true there is a philosophy that because of their service veterans age prematurely, and that war veterans allowance is, in fact, an old age pension that the veterans receive at an earlier age than is the case with civilians. However, as years go by it seems a grateful nation—if that nation is accurately represented by this government—wants to forget its obligation to the veterans as such. There seems to be a tendency to hope that the veterans will fade away into the general age group to which they happen to belong, and that their needs will be looked after by the general benefits available to all citizens within that age group.

I think this is a very unfortunate attitude to adopt. We are seeing the relative benefits that our veterans have

had under veterans legislation being eroded in several ways. For example, old age pension was payable at the age of 70; war veterans allowance was payable in a general sense at the age of 60. The veteran had a ten-year advantage. The old age pension recipient now receives the old age pension at the age of 65, the age having been lowered from 70 to 65. But there has been no corresponding lowering of the qualifying age for war veterans allowance.

Then, as has already been pointed out, it would seem there is a desire on the part of the government, where the benefit is a similar one, to treat the veteran as a civilian in cases where he has an option between either the old age security and income supplement or the war veterans allowance.

War veterans allowance carries with it a number of subsidiary benefits. But the most important point of all is that the veteran feels he receives war veterans allowance as of right. Even if it is in the form of a welfare payment to which is attached a means test, he still looks upon it as something to which he is entitled because he served in the armed forces in time of war. He receives it only because he served in two world wars, either in Canada or in an actual theatre of war overseas. He may be in receipt of a very small disability pension to compensate him for the deterioration in his health due to illness or to wounds sustained during his military service. But as I say, he looks upon his war veterans allowance with pride, as something that sets him apart from the ordinary citizen.

I think the veteran resents having his pension replaced by old age security and the general income supplement, even if his total monetary benefit is unchanged. There are a number of fringe benefits to which a veteran is entitled. The hon. member for Winnipeg North Centre (Mr. Knowles) listed these so accurately that I will not repeat them now, but I should like to say this: Most of these benefits are either dispensed or withdrawn by regulation. I should like to impress upon the minister, as forcibly as I can, that in cases where a veteran is in receipt of old age security, the income supplement plus some small additional third source of income, which thus disqualifies him from receiving war veterans allowance, none of the fringe benefits to which he would otherwise be entitled should be taken away from him, regardless of what these are.

Further, I strongly recommend that in every case where regulations such as those enumerated by the hon. member for Winnipeg North Centre apply, they be amended so that war veterans are placed in no worse position in receiving the old age security pension and the income supplement than they were when their income was derived from the taxpayers through the Department of Veterans Affairs. I see no reason why the veterans, who have their own department as it were, should not have all their needs met by that department. This would mean a corresponding reduction in expenditure on the part of the Department of National Health and Welfare. I submit the government should refrain from attempting to make the old veterans fade away into the general age group of the population into which they happen to fall.

[Mr. MacLean.]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, my colleague the hon. member for Winnipeg North Centre (Mr. Knowles) has very adequately covered the questions relating to war veterans allowance but I did want to make a few points in respect of a problem that is not being resolved in this legislation, namely the lowering of the qualifying age for widows of veterans for war veterans allowance.

It seems to me that there is a very solid principle here, and it is this. The capacity of men who have served in the armed forces in a theatre of war, and have suffered disability therefrom, to earn their own living and to make adequate provision for their families has undoubtedly been impaired. Yet if their disability is not in excess of 50 per cent of their total capacity, or if their death is not due to war service, their widows are ineligible for war veterans allowance unless they are 55 years or over, or unless they are medically unfit. I am not quarrelling with the minister or his department about the decisions which have been handed down, because under the Act and under the regulations, these are the decisions required. But I hope the minister will be prepared to give consideration to lowering the age at which the widow of a veteran would be eligible for war veterans allowance.

• (3:50 p.m.)

Here is an example which illustrates what I have in mind, the case of a woman who is the widow of a Canadian serviceman who served in the Korean war. Her husband, I understand, was the first Canadian to be wounded in that theatre of war. When he returned to Canada he was granted a 15 per cent disability pension. His disability undoubtedly affected his earning capacity and resulted in the deterioration of his health to the point where he was scheduled for reboarding at a hearing which would probably have resulted in his disability pension being increased. He had come to the point where he realized he would have to quit the heavy work he was doing and seek lighter employment. Unfortunately, he was killed in a car accident, leaving a widow and a young son to face the future without adequate means of support.

The department, under the regulations and terms of the act, ruled that this woman was not eligible for a pension unless she was proven to be medically unfit. She was not medically unfit. The case was appealed to the appeal board which pointed out that she was not eligible, first, because she was only 50 years of age, and second, because she was neither permanently unemployable nor incapable of maintenance. It is true, I suppose that in physical terms a woman 50 years of age is not permanently unemployable or incapable of maintenance, but in actual fact, where does a woman of 50 years of age, without any particular training, get a job to maintain herself and her child? True, she can get odd days clerking in a store or do housework for someone on a day to day basis, but it is virtually impossible for her to maintain herself and her child adequately. This means that the particular woman I have in mind will be forced, eventually, to go on welfare.

As a Canadian, I resent the fact that the widow of a man who was wounded while serving his country should be required to go on welfare. Given the circumstances of today, there is real justification for lowering the age of eligibility from 55 to 50 or even to 45. If we were in a period when it was easy to get jobs, when there was a demand for labour, this difficulty might not arise. But today there are thousands of young people looking for jobs, and the chances of a widow, 50 years of age, without any particular skills, securing employment, are virtually nil.

If the minister and the government want to face the realities of the present situation, then surely they ought to give consideration to lowering the age from 55 to 50. Not only do we have a responsibility to veterans but we have a responsibility to the families of veterans. The average veteran I talk to is more concerned about the people of Canada discharging their responsibility to veterans' families than they are about veterans themselves. When I talked to veterans in the last war, my impression was they were worried not so much about what would happen to them as about what would happen to their families if they failed to come back or if they came back in an incapacitated condition. I think the widow of a man who served his country in a theatre of war, who suffered a serious disability, deserves something from this nation; we have a responsibility toward her and her children.

The other thing I should like to say to the minister is this. I hope he will be giving serious consideration fairly soon, since he is not going to do it in the legislation before us, to providing for a cost of living bonus in war veterans allowances and disability pensions. We are already accepting this principle in connection with pension plans, superannuation plans for civil servants, the Canada Pension Plan the old age security pension provisions when combined with the guaranteed income supplement. If, in all these programs, we recognize that an increase in the cost of living automatically reduces the purchasing power of a pension, I see no reason why we should not accept the same principle with respect to those who are in receipt of veterans disability pensions or war veterans allowances. I hope this is one of the matters which the minister and his colleagues will take under favourable consideration, so that when this subject is again discussed in the war veterans committee they will be prepared to provide a cost of living bonus to all those in receipt of these pensions.

Mr. Jack Bigg (Pembina): I am anxious that this legislation should pass, Mr. Speaker, but I think I would be remiss if I did not make a comment or two about the wonderful work the Canadian Legion has done in seeing that this bill of right for veterans was brought to its present state. I should also like to draw particular attention to the work of the Hong Kong veterans organization, on behalf of those who carried the greatest burden during the last 25 years. I should like to put on record on their behalf a commendation of Dr. Richardson for his able work in demonstrating the big difference between the situation of Hong Kong veterans and that of other veterans who served their country. I have in mind, of course, the effects of malnutrition and the tropical diseases experienced by those confined to Japanese prison camps.

I am pleased that the benefit of doubt rule has finally received full attention. If this rule is followed properly, many of the things which have bothered veterans and the friends of veterans will disappear. The Veterans Affairs Committee has been active over the years. It would be wrong, I suppose, to mention anyone by name. Several people have worked very faithfully in this regard. I might say that the hon. member for Swift Current-Maple Creek (Mr. McIntosh) carried this particular section; I think we almost got tired of hearing about it, but it must be a great satisfaction to him to be present in this chamber today to see the benefit of doubt rule is now being looked after properly.

You often hear on some corner, not too often but sometimes, the argument that we have done too much for veterans. I am glad to see the minister does not feel that way and that the committee does not feel that way. If there are people who still have this idea, I might mention the fact that the veterans rehabilitation program we had after the war apparently cost a good deal of money, but this money has been repaid to the nation many times over in the form of income tax. Many of these veterans returned to school after they came home. It is true they did so through the generosity of the taxpayers, but they did have a desire to upgrade themselves. They showed us that they did not want to rest on their laurels as veterans but wished to get back into the stream of life. A great many of these veterans distinguished themselves in college. I understand they were the best students the faculty had. They were not busy burning down schools or asking for something for nothing. Through income tax they have paid back the people of Canada many times the full cost of the veterans rehabilitation program. If we traced it through, I believe we would find they have paid back the full cost of the veterans programs up to the present day.

• (4:00 p.m.)

I do not think we have reached the end of the road in respect of veterans affairs. There are still a few untidy corners to be cleaned up. The Committee on Veterans Affairs will have to be kept together and revitalized. This committee has always had fine chairmen. The last two in particular have been outstanding, although they are not alone in this regard because there were very fine chairmen before them. I do not think we have succeeded completely in giving proper attention to those veterans with multiple disabilities. I am pleased there has been a breakthrough, but I am quite sure improvements are required in this regard.

I am not too happy that there has been no change in the attitude in respect of the provisions concerning misconduct, particularly where a widow is deprived of a pension because of some presumed misconduct on the part of the serving member. If the benefit of doubt rule had been properly applied in the old days it would have looked after the situation, but this was not the case. We need not be discouraged about this because with the new system of hearings I understand there will be no such

thing as a closed case. If a veteran feels he has had improper treatment in the past, he will be able to re-open his case. I am sure such people, under the veterans charter, now receive proper attention.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I wish to limit my brief remarks on Bill C-233 to the increase in the war veterans allowance. I regret that when bringing in a bill to amend the act in order to increase the rates, the minister did not take to heart the suggestion I put to him, I thought rather vehemently, in respect of those veterans who I believe are unjustly being denied access to the War Veterans Allowance Act. I should like the Minister to give careful consideration to this point. I refer particularly to those veterans of World War I and World War II living in the United Kingdom who, because they have not put in one year's residence in Canada since the war or since their war service, are not entitled to apply. I cannot think of any greater discrimination than this particular restriction. I have repeated this suggestion time and time again. We have been given the answer that there are administrative or bureaucratic difficulties dealing primarily with Canadians who live in the United States. The benefits to Canadian veterans living in the United States, under whatever entitlement they may have, are in excess of what they might get in Canada or at least that was the case in the past. So, we were given an artificial reason for it being impossible to pay these men.

I invite the minister to really look into the case of those veterans who are residing in the United Kingdom. I am sure he has received briefs and letters from the Canadian Veterans Association of the United Kingdom and also personal representations from persons who had been officers in the department in the United Kingdom as well as from Canadian veterans who were in London and who are aware of the hardship. Yet, for some unknown reason we have had a continuation of the refusal to consider these people as being eligible. I say there is an omission from this bill because it would have been very simple to include an amendment to rectify this situation. My regret is that despite all the good things that have been done, not only under Bill C-203 but under these three particular bills dealing with an increase in the rates, the minister has failed to do something for these people. There are other cases in respect of which I could make suggestions, but in this particular case I say there has been a very serious omission and I would hope we could see our way clear before long to make the change.

As we all know there is the difficulty that once both the Pensions Act and the War Veterans Allowances Act have been amended in a major way, the administration will have a closed mind with regard to re-opening these acts. We will be put off for perhaps another five years before any change is made. I can think of circumstances under which it might happen much quicker, but if one follows the present thinking any further changes will take that long. I can assure you, Mr. Speaker, this is one point on which I can tell the minister I will keep dogging him until I see some hope of improvement in this situation. I hope it is not the position of the department that by just hanging tough they will wear out this category of veterans through the passage of time, because many of them now are on in years.

• (4:10 p.m.)

[*Translation*]

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, may I be allowed at the outset to join with the hon. members who just spoke, in wishing a speedy recovery to the most capable chairman of the Committee on Veterans Affairs, the hon. member for Nipissing (Mr. Legault). There is no doubt in my mind that he carried out his work with distinction.

I should also like to avail myself of this opportunity to congratulate his successor, the hon. member for Sarnia (Mr. Cullen), who was also equal to the occasion and succeeded in conducting the committee's proceedings promptly and efficiently.

I would not forgive myself if I failed to mention the first of those three chairmen, the one who presided over the committee at the beginning of the proceedings which are coming to an end today, namely the hon. member for Ottawa West (Mr. Francis), who also showed not only ability, but also patience and great comprehension during those lengthy proceedings.

I also feel it is my duty to thank very sincerely all the members of the Committee on Veterans Affairs, whatever their political party may be. They are all good fellows friendly, pleasant, which made the work very interesting not only for themselves and the officials, but also for the minister who had to appear on many occasions and try to reply as well as he could to the very relevant questions that were put to him. Most of the questions and issues brought up during the proceedings were raised again today, first by the hon. member for Winnipeg North Centre (Mr. Knowles) as well as by his namesake from the Progressive Conservative party, the hon. member for Norfolk-Haldimand (Mr. Knowles), and other members.

I tried when I gave evidence and during my previous statements before the Committee on Veterans Affairs, to reply to most of the arguments and objections and I was under the impression that I had succeeded in convincing the committee members, but I know it is their duty to remind me again of all the things that they would like to see done for veterans.

Of course we have a high opinion of those bills but I know that nothing is perfect in this world. The generosity of any government must necessarily include limitations determined by the country's resources. However, we have recently passed a number of laws which I find quite generous and justified and which are to the credit of Parliament and proof of the gratitude of Canadians towards our veterans.

For example, the 15 per cent increase in the disability pensions will cost the country more than $22 million. The increases contemplated in this bill will also cost $22 million more to the government. These two bills and the

legislation based on the white paper and passed by the Senate last Tuesday represent a yearly expenditure of $50 million. Such an amount is an indication of the generosity of the government, but above all of the Canadian taxpayers. I am sure that the Canadian people will not resent our spending that money in order that those who served their country in the Armed Forces can enjoy an honourable old age and end their days with dignity.

Some objections that were raised a while ago might if not confuse the recipients at least give rise to some doubts in their minds. I do not intend to counter them once more today, since this was done in committee. However, we shall take the necessary steps to have the periodical *Legion* publish a special page explaining exactly what steps the veterans should take to get their pension increase. I myself can assure them, as they will be assured in the announcement published in that periodical, that there is no question taking privileges or rights away from them; but only of increasing the amounts already available to them.

Mr. Speaker, in conclusion, I consider that these two bills, like the previous one, are true memorials from the Canadian Parliament expressing the Canadian nations' gratitude towards its veterans. They will ensure that our legislation respecting veterans is actually the best in the world, and we are right in being proud of it.

Mr. Lambert (Edmonton West): Would the minister allow me a question?

Mr. Dubé: Yes, Mr. Speaker.

Mr. Lambert (Edmonton West): Mr. Speaker, I would like to ask the hon. minister to elaborate on the subject which I raised concerning veterans living overseas and who are not eligible for allowances, since the regulations provide that the veteran must have resided in Canada at least one year between his period of service and the time of his application. It is known that at the present time there are thousands of veterans in Europe.

I have often raised that point and I was hoping that the hon. minister could answer it. Would he indicate what is his intention at this time?

Mr. Dubé: The thing is this, Mr. Speaker. I do not want to start answering all the questions because we would find ourselves exactly in the same position as during the sittings of the Committee on Veterans Affairs and I have no intention whatever to kill my own bill.

Mr. Lambert (Edmonton West): That is not the first time that that happens.

Mr. Dubé: But the point raised by the hon. member has already been raised in the past. It is not a requirement which the present minister has imposed, for others before him could have abolished it had it been so burdensome and cruel. Actually, it is a matter of allowances which constitute a social measure and any social measure has its limitations.

I think that the requirement to reside one year in one's own country is not a very heavy one to impose on somebody who wants to benefit from Canadian taxpayers' money.

[*English*]

Motion agreed to and bill read the third time and passed.

* * *

PENSION ACT

AMENDMENT TO INCREASE PAYMENTS

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs) moved that Bill C-234, to amend the Pension Act, as reported (without amendment) from the Standing Committee on Veterans Affairs, be concurred in. Motion agreed to.

Mr. Dubé moved that the bill be read the third time and do pass.

Motion agreed to and bill read the third time and passed.

* * *

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Wednesday, March 31, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): Order. When the committee rose yesterday clause 14 of the bill was being considered.

On clause 14—*Establishment of Ministries of State.*

Mr. Hees: Mr. Chairman, when this bill was introduced for first reading one could definitely hear the strains of that old Liberal theme song being played in the background, a song we are all so familiar with, "Roll out the barrel." There is no doubt what that barrel contains. It is the old-fashioned Liberal pork barrel, because this clause we are dealing with is nothing more or less than the introduction of patronage on a grand scale.

We are being asked, under the provisions of this clause, to authorize the establishment of five ministers of state. This means that if the clause is passed, the government would be quite justified in establishing, without further reference to Parliament, five new departments, and without demonstrating any need whatsoever for any one of them. When you realize that the cost of doing the work which these new departments will do, over and above what it is costing now to do that same work in the existing departments, will be untold millions of dollars each year, untold millions that the taxpayer must pay,

then you have to look very carefully at what we are being asked to approve in this clause.

• (4:20 p.m.)

When you establish a single new department you establish a new minister, deputy ministers, assistant deputy ministers, associate deputy ministers, and a whole host of directors at high salaries. Then, there are large public relations staffs employed as image makers, many of whom are lured from the press gallery. Heaven knows the image of the ministers needs building up but not at public expense. As well, you have private secretaries, associate private secretaries, assistant private secretaries, executive assistants, parliamentary secretaries and all the paraphernalia that goes with a separate department. We know from experience that these things cost the taxpayer millions of dollars, and in the end exactly the same amount of work is done.

We must ask why this proposal is being made at this time, Mr. Chairman. I say it is being made for one reason and one reason alone. The government will not wait until the need for a new department can be justified, rather it comes with this proposition now in order to provide opportunities for the Liberal faithful, the elected and the party workers.

A good example of how this works, Mr. Chairman, happened in 1963. The chief organizer of the Liberal party, Mr. Walter Gordon, had promised that he would provide jobs galore to the Liberal faithful so he set up the Department of Industry. There was no more need for that separate department than there was for a hole in the head, Mr. Chairman. The work had previously been done by the industrial section of the Department of Trade and Commerce. A brand new department was established in its own separate building with a minister, deputy minister and all the other paraphernalia costing the taxpayers many millions of dollars.

Before 1963 the work of this new department had been looked after by the industrial section of the Department of Trade and Commerce in a most satisfactory and efficient manner, as will be obvious to anybody who has talked to the businessmen of Canada. It took three times as many people to staff the new department, however, as had run the industrial section. A great many of the new staff members were high priced directors from every facet of industrial life—they were recruited in hordes. The new department cost untold millions of dollars each year to operate.

Then, why was this new department finally disbanded and put back exactly where it had been prior to the election of 1963? It was for a very simple reason. The businessmen of Canada became so frustrated and furious with the confusion of having to deal with two departments instead of one that they demanded this nonsense to be stopped. The government had to swallow its pride and put the Department of Industry back into the Department of Trade and Commerce.

As any businessman knows, Mr. Chairman, firms which export also produce for the domestic market and most producers for the domestic market also sell to the export market to help cover their overhead, to increase profits and sometimes to reduce their prices. Anybody knows that. You do not have one group of people producing for export who want to deal with an export department, and another group producing only for domestic consumption who want to deal with the Department of Industry. All companies of any size want to deal with just one department. Prior to 1963 they were able to do this and were happy about it. I challenge any member of the House to tell me one incident of a businessman who was not extremely happy with the operation of the Department of Trade and Commerce, both from the point of view of export sales and domestic industry. The division of this department into two was done solely to provide patronage jobs for the Liberal faithful.

We in the opposition are doing everything we can to persuade the government to stop this nonsense at public expense. Even when a department is split in order to provide jobs for the party faithful and then is brought back to the original position, the waste does not stop. It did not stop when the Department of Trade and Commerce was divided. When the businessmen of this country forced the marriage of these two departments again, this government did not let out a single employee of the Department of Industry. Since that time they have been falling over each other and getting in each other's way, causing inefficiency and confusion. The businessmen of the country are not as happy with the operation of the department as they were prior to 1963. You cannot right a wrong by bringing the two departments back together.

This government, Mr. Chairman, has no right to ask this Parliament for a blank cheque to create five new departments for which it cannot justify the need. If it could justify the need, the government ought to come before Parliament and say what that need is. Instead, it is asking Parliament for a blank cheque. The government wants to spend literally hundreds of millions of dollars of the taxpayer's money on changes that are not justified. They are not needed and they are only excuses for providing jobs for the faithful. As another election approaches, we see the old pork barrel coming out again. The government is saying, "Boy, we are creating five new departments and all sorts of jobs for you if you get elected. We will make you parliamentary secretaries; we will make you ministers; we will make you almost anything you want; but run and win. Come in and join the Liberal party. Help us to win, because we love power and we want to enjoy it."

• (4:30 p.m.)

An hon. Member: And the hon. member does not?

Mr. Hees: That is what the government is doing. Mr. Chairman, we feel that this is completely wrong, and I say that because we have a responsibility to the people of this country in the supervision of the spending of their tax dollars. We see this proposal as a colossal waste, justified only by the government's great desire to expand its patronage and the power it has in its hands. That is the only reason for this measure. So I say this expansion should be stopped here and now.

If the government wants to establish new departments, it ought to come before the Parliament of Canada and explain why it wants them. The government has come before the Parliament of Canada and asked for a new department of the environment. That part we will pass, Mr. Chairman. We of the opposition think that a department of the environment would be a good department. We think we need it, and therefore we would pass that part.

Some hon. Members: Hear, hear!

Mr. Hees: If the government were to bring forward suggestions for establishing departments that could do a good job, just as that department could, we would say, "Yes, establish your new department; appoint the new minister and all his staff. This expenditure is justified." Until the government can do that, it has no right to come before Parliament and ask for a blank cheque with which to establish five new departments at one time and do anything else that pleases it. I say to the government, you have no right whatever to do that. You know it, and there is not a minister sitting in his seat today who can stand up and say that the government has that right. I challenge any of them to do that.

Mr. Drury: I will.

Mr. Hees: They are not standing up, therefore they are agreeing with me.

Some hon. Members: Oh, oh!

Mr. Hees: They are agreeing with me, for the very good reason that they know what I am saying is the truth.

Mr. Drury: On a point of order, Mr. Chairman, the hon. gentleman has just thrown out a challenge. I will stand up and say that I disagree with him. I will say it at the appropriate time, later, in a more logical and coherent fashion. It is quite clear that the hon. member is not familiar, despite his period of service in the ministry, with the sort of constitutional arrangements prevailing in the British parliamentary system.

Some hon. Members: Hear, hear!

Mr. Hees: Mr. Chairman, was that not an outstanding contribution! This minister said as much as might be expected, absolutely nothing. He said nothing to justify the bill that is going through and nothing to justify our giving the government carte blanche to create five new departments. He has confirmed everything I have said. He has nothing to say on behalf of the government to justify what the government is asking us to pass, and the minister knows it.

An hon. Member: That is right.

Mr. Hees: That is right, you can bet your sweet life. Having said that, especially since there has been no response from the government, and I see that a few ministers across the isle are red in the face because they know that what I say is true, I say, for heaven's sake even at this late date have the good sense to withdraw this bill. If the government proposes establishing departments that are needed, Parliament will pass those measures, just as we will pass that part of the bill for setting up the new department of the environment. We believe that department is necessary. We say to the government, do not ask for a blank cheque to establish a lot of departments for which you have no need and which you only want for political reasons, in order to provide plenty of jobs for the Liberal faithful in the future.

The Acting Chairman (Mr. Richard): Shall clause 14 carry?

Mr. Baldwin: Mr. Chairman, earlier today, in an exchange between the hon. member for St. John's East and the government House leader, it was pointed out with great force and accuracy by my colleague that a larger number of committees than usual are sitting today, and that a great many hon. members serving on them wish to be present in this committee to participate in this particular debate. As usual, we find that the members of the opposition are doing their duty in staffing these committees.

Some hon. Members: Oh, oh!

Mr. Hees: Hear, hear!

Mr. Baldwin: That is not the case with respect to government members.

Some hon. Members: Oh, oh!

An hon. Member: Look around you.

Mr. Baldwin: Not as many of our members are present as we should like, because they are doing their duty in the committees.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Hees: Hon. members opposite are hearing the truth, and do not like it.

Mr. Baldwin: The government House leader, while giving a firm guarantee, said that when we get to the committee of the whole stage of Bill C-207, and I am paraphrasing what he said, it would be desirable if the committees would then adjourn. I am asking at this time if the government is prepared to do this. Will they not agree to adjourn this debate until the committees have been advised of the situation and have adjourned their meetings so this debate could proceed on the basis agreed upon. This is an extremely important debate and a large number of my colleagues wish to take part.

Some hon. Members: Oh, oh!

Mr. Baldwin: I do not expect any contribution from the government side, of course; as I said yesterday, government members are not allowed to get up and speak.

Mr. Hees: That is right, and if they were they would not have anything to say, anyway.

Some hon. Members: Oh, oh!

Mr. Baldwin: The hon. member for York East spoke, but he might as well not have. I, therefore, wish to make a proposal.

An hon. Member: We will not fall into that trap, that's for sure.

Mr. Baldwin: I wish to ask, therefore, if the government will carry out what was the implied undertaking of the government House leader and now adjourn this debate—

Some hon. Members: Hear, hear!

Mr. Baldwin: —in order to permit the committees to be recessed so that hon. members attending those committees can attend the committee of the whole as their duty compels them to do.

Mr. Hees: Hear, hear!

[*Translation*]

Mr. Fortin: Thank you, Mr. Chairman—

[*English*]

The Acting Chairman (Mr. Richard): Order, please. The Chair can hardly take notice of this representation at the present time. I understand that an hon. member wishes to speak, and he may do so if the hon. member for Peace River does not wish to speak. As hon. members know, within 20 minutes we shall begin private members' hour.

Mr. McGrath: Mr. Chairman, on the same point of order—

An hon. Member: There is no point of order.

Mr. McGrath: Then, I will raise a point of order, with your permission. My point of order relates to the fact that the House is now sitting in committee of the whole on an important bill concerning the reorganization of the Government of Canada, which affects every member of the House. I submit that since the House is meeting as a committee of the whole House, it is clear that other committees are precluded from meeting.

An hon. Member: Nonsense.

Mr. McGrath: According to today's *Votes and Proceedings*, almost all the committees are continuing to sit. I think it would be useful to place on record the numbers of hon. members who are involved in those committees. On the Standing Committee on Agriculture, there are 30 members of this House.

Some hon. Members: Oh, oh.

Some hon. Members: Hear, hear!

Mr. McGrath: On the Standing Committee on Election Expenses, there are 12 members.

Some hon. Members: Oh, oh.

[Mr. Baldwin.]

The Acting Chairman (Mr. Richard): Order, please. I think the hon. member for St. John's East will appreciate that it is not necessary to give this information which is available to all hon. members. In any event, in my opinion the question which has been raised ought to have been raised before the committee began sitting this afternoon. In about 15 minutes, we shall begin private members' hour. One hon. member has indicated that he wishes to speak. Perhaps, he will speak until five o'clock.

Mr. Baldwin: Mr. Chairman, in order to bring this matter to a head, I move, seconded by the hon. member for St. John's West:

That this committee rise and report progress and request leave to sit again later this day.

The motion is in handwriting and may not be too clear. The Chair may have difficulty in reading it.

• (4:40 p.m.)

The Acting Chairman (Mr. Richard): The question is on the motion of the hon. member for Peace River. All those in favour of the motion please rise. All those against the motion please rise.

Motion (Mr. Baldwin) negatived: Yeas, 12; nays, 30.

[*Translation*]

Mr. Fortin: Thank you, Mr. Chairman. Yesterday, when I rose—

The Acting Chairman (Mr. Richard): Order, please. The hon. member for Lotbinière has the floor.

Mr. Fortin: I apologize, Mr. Chairman, I wanted to give my friends an opportunity to say all they had to say so that they might in turn show the same courtesy we apply to them, in other words, listen.

Yesterday I was speaking on Part IV of Bill C-207 concerning the establishment of ministries of state and appointment of the corresponding number of ministers of state, or a maximum of five.

At that time, my major argument was to determine the links between the three separate powers which govern Canada, i.e. the judiciary, executive and legislative powers.

My remarks were rather academic and I was suggesting that when one of the powers wants to arrogate certain rights of the two other powers, serious conflicts occur with far-reaching effects for the powers involved.

Mr. Chairman, I would like to draw the attention of the committee to more general considerations. For example, I would like to know what the government is trying to achieve in establishing ministries of state. It is said in Part IV of this bill that the government is proposing the establishment of "ministries of state for specified purposes".

Now, upon reading the relevant clauses, one becomes aware that the purposes mentioned in the title are not included in Part IV of the legislation. This is an incomprehensible shortcoming which is greatly responsible for the imbroglio this House is in now.

Now, I wonder, why does the government want to create ministries of state without telling us what fields

they will cover? Why not say what these ministries will do, or what problems they will deal with?

Mr. Chairman, the government does not give its reasons. It would like to have the overall authority to create ministries of state at will, for reasons it does not want to reveal. This is a dangerous principle, because the House not only does not know why certain amounts of money are spent, but it does not know if these ministries will endeavour to solve the problems it might want to refer to them.

Thus, the government is asking for a blank cheque, without revealing its reasons, without stating its intentions. It is useless to say that we object to this scheme.

As the hon. member for Red Deer (Mr. Thompson) stated yesterday, when he took part in this debate, Canada is an over-governed country. There is no dearth of directors in Canada! There is a profusion of ministers and parliamentary secretaries who keep themselves busy doing we do not know exactly what. When they are asked questions about what is going on in their departments or about their position or policy in any specific area, their answers are evasive, vague or else facetious. If serious answers are needed to serious questions, the situation is hopeless, they cannot be obtained.

This goes to show once again to what extent this government is making Parliament look ridiculous. For sure, there are departments that are doing a good job. Let us take for instance the department of the Secretary of State. What sort of information can we get out of this department? Whenever a member of the opposition directs a question to the Secretary of State (Mr. Pelletier), the latter always unmistakably begins like this: Mr. Speaker, I am not aware of this, but I shall look into it. Mr. Speaker, I am not responsible for this, but I shall inquire. Mr. Speaker, I did not know this, I have not been informed of this problem, but I shall find out and report to the hon. member.

First of all, we always have to wait for the said reports, and then it is inconceivable that a minister of a responsible government should not be responsible for the CBC, for example, to Parliament. It is nonsensical.

Here is an example. Some people ask for the establishment of a commission. I call for the creation of a royal commission of inquiry into the CBC's activities in general. The Secretary of State rises and, as he is the minister responsible for this organization, replies: I am not responsible. The only part I have to play is to run errands between the government and the CBC.

As for parliamentary control, this means that hon. members of any party not only have no influence over the CBC, but must be content with what the Corporation is ready to give them, albeit ungraciously. So hon. members who must report to their constituents on the CBC's administration are unable to do so. They are handicapped in their informatory and participatory duties either because the responsible minister refuses to fulfil his obligations or because he is truly not the master at the CBC. Who then is the master of that Crown corporation that is financed through public funds if it is not the Secretary of State?

Mr. Chairman, I would like to draw the committee's attention to a specific point in the bill before us. If in the case of the CBC Parliament has no direct control over public funds, and if the Secretary of State who is responsible for this corporation does not control it either and does not know how the funds are spent, how can Parliament hope to have a control over ministers of state and ministries that Parliament will not even be asked to establish, or over ministers that Parliament will not be called upon to judge? Moreover, Parliament will be unable to properly assess the work of the ministers because the latter will not have to answer to Parliament.

That is how the executive weakens the legislative power so as to turn it into an ivory tower parallel to the legislative power, in such a way that some day, we will reach the point where parliament will be a tower of Babel where we will do nothing but talk, with no accounts to render to anyone.

On the other hand, there will be a unilateral, dictatorial power which will take decisions while ignoring what can be said in the tower of Babel, that is Parliament, and so our democratic institutions will keep on depreciating in the eyes of the public, particularly of the young people.

We all agree on rejuvenating Parliament and we want the executive power to have all means available to carry on effectively the task that the people have entrusted to it. But from that to squashing one power to the benefit of another, to neglecting to exercise parliamentary control over the various creatures of the government, it does not make sense.

We cannot normally operate with that system. At the present time, it is easier for government members to uphold their position and I understand them. However, if those same members who want to increase the executive power under the pretext of making it more efficient were sitting on this side of the House, they would speak as we do. They would defend Parliament, because for them it would be the sole satisfactory institution to convey the representations of the people to the government. This is one of the basic reasons why Parliament exists.

As for the creation of ministries of state about which we did not obtain any specific information—my hon. friends opposite will admit it—we cannot honestly accept it. We have nothing—and we want it to be well understood—against the creation of ministries of state. We object to the motivation, the responsibilities and the power given to those ministries or ministers of state. We especially object to the eventual lack of relations between those ministers and Parliament.

Mr. Chairman, I deemed it important to once again bring up those issues during the debate with the hope of prompting the government members to change their minds about the creation of those ministries of state.

• (4:50 p.m.)

Mr. Chairman, we are not here to hinder the government in their business, but to help them. We are here to show them the dark side of the picture, which they may forget at times.

Mr. Béchard: It does not show.

Mr. Fortin: Mr. Chairman, one of my friends, the hon. member for Bonaventure says: "It does not show".

Mr. Béchard: From Bonaventure-Îles-de-la-Madeleine!

Mr. Fortin: Mr. Chairman, I am sorry for my mistake in the name of the constituency of the hon. member for Bonaventure-Îles-de-la-Madeleine, but since we do not here him very often in this House it is not very easy to remember the name of his constituency.

Mr. Chairman, I believe this attitude towards us is negative. When members from the opposition make proposals to defend parliament while encouraging government action, they are accused of delaying business and it is with such a pretext—because according to them parliament has become an old-fashioned institution where the business of the House is delayed—that the government leaves unsolved the unemployment problem, the unemployed students' problem, that of regional disparities, and what have you.

Mr. Chairman, ministries of state will be created. Is it in order to solve those problems? No. Is it in order to meet with the request from the opposition? No. Is it for election reasons? Yes, Mr. Chairman, because those ministries of state, unless we are given proof to the contrary, will be ghost institutions, like the white papers or royal commissions of inquiry, used to hide the lethargy, the torpidity, the lack of activity of the government or their failure in a specific field.

Mr. Chairman, since then, the government—

Mr. Béchard: Mr. Chairman, may I ask a question of the hon. member?

The hon. member has been criticizing royal commissions one after the other but, a few moments before, he asked for a royal commission on the CBC which has already been the object of several commissions. Could he explain this illogical request?

Mr. Fortin: Mr. Chairman, this is not illogical. I can explain my position quite simply: on all subjects for where there is no danger of the government being unmasked, royal commissions are set up, but on all subjects which would require a commission to unmask the true masters of this government, as for instance the banking system and the CBC, the government hides its head in the sand like an ostrich and refuses to take any action. This is why I request, as I do as well on the banking system, the setting up of a royal commission on the CBC to put some order in this corporation.

It is much easier for government members to criticize, shout and disturb the members who have the floor rather than take a stand. This is why I wonder about the use of these ministries of state. Mr. Chairman, I would like to conclude with this.

We have today a fair number of departments, crown corporations, parliamentary secretaries and ministers and what is the result? They cost millions in administration expenditures. We have one of the most costly administration in the world as compared with the mall number of inhabitants in Canada. And not only they do not solve our problems but they aggravate them. Instead of providing human services to the individual in his relations with the government, he is given an inhuman and "numbered" service and finally there is no service.

Mr. Chairman, communications between the government and the Canadian people are non existent because the government has retreated to an invory tower and does not care a rap about the people provided it can exercise power. That is all it wants instead of seeking to serve the nation. However, it should remember that when the people entrust a man or several men with power, they expect it to be used for the good of the people and not for personal profit.

Mr. Chairman, this is the reason why people entrust power to a particular party. However, they realize more and more today—

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, may I call it five o'clock.

Mr. Fortin: —Mr. Chairman, in doing so, they always show the same partisanship to one party, so that they are both in the pay of high finance. Therefore, no matter how many ministries and ministers of state we give ourselves, if we do not wish to really serve the population, irrespective of high finance, we will not solve the problem.

The population has given the government power, not to create even more ministries of State or bestow favours on hon. members, but to serve the population and put the money at its service.

The Acting Chairman (Mr. Richard): Order, please. It being five o'clock, it is my duty to rise, report progress and request leave to sit again.

[*English*]

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—External Affairs—Israeli-Arab conflict—suggested representations to Israel respecting peace negotiations; the hon. member for Kootenay West (Mr. Harding)—Health—paramedical services—negotiation of cost-sharing agreement with provinces.

It being five o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, Notices of Motions (Papers).

PRIVATE MEMBERS' MOTIONS FOR PAPERS

TRANSPORT

REQUEST FOR COPY OF REPORT OF C. B. HAVER ON COST BENEFIT EVALUATION OF PRINCE EDWARD ISLAND CAUSEWAY

Mr. David Orlikow (Winnipeg North) moved:

That an Order of the House do issue for a copy of the report by C. B. Haver of Montreal for Northumberland Consultants Limited regarding a review of the cost-benefit evaluation by Stanford Research Institute for a Prince Edward Island causeway as mentioned in answer to Question Number 1,832 reported in *Hansard*, July 21, 1969 at page 11374.

• (5:00 p.m.)

He said: Mr. Speaker, I think the motion I moved for the production of papers, a request was rejected by the government, speaks for itself. What is involved here, as far as I am concerned, is the question of how governments make decisions, on what information they make them, how much of that information should be made available to the public in general, what information should be kept private and confidential, and what reasons the government has for keeping such information private and confidential.

The subject of building a causeway from Prince Edward Island to the mainland of Canada has been debated for many years. I will leave it to members from the Maritimes, and from Prince Edward Island in particular, to discuss in greater detail, and with a good deal more knowledge than I, the necessity for such a causeway and the advantages to be gained from its construction. Suffice it for me to say that it was a Liberal government that promised the people of Prince Edward Island that, if elected, it would proceed with the building of a causeway which would thus obviate the necessity for moving from Prince Edward Island to the mainland of Canada by way of the ferry.

Estimates were made of the cost of constructing such a causeway. I speak from memory, but I think I am not far wrong in saying that the original estimate given to the public was for an amount in the neighbourhood of $140 million to $150 million. Subsequently, the government announced that a new estimate, amounting to $200 million or more, had been made of the cost of constructing a crossing. The cost was so high, and the benefits to be derived so slight, that the government felt it could not proceed with the project. Whether the fact that an election had been held and the Liberal party had been singularly unsuccessful in electing members from Prince Edward Island was a factor that influenced the government's decision I leave to members of the Liberal party to discuss if they so see fit. But the fact is that the decision was made not to proceed to construct the crossing.

I am not here today to contend that the original proposal to build the causeway was correct. I am not here today to say that the subsequent decision not to build the causeway was incorrect. I am not here to say that if a causeway could have been built for $140 million it would have been proper to build it. I am not here to say that if the causeway cost twice $140 million it is too expensive, and that we should not proceed with its construction. What I am saying today, and what in effect I am saying in my motion for the production of papers which I moved at the beginning of the session, is that I believe if meaningful decisions are to be made on this or on any other question, that if the ordinary residents of Prince Edward Island—in this particular case—are to know how such decisions are arrived at, and that if members of Parliament both in government and opposition parties are to be encouraged to reach any sensible conclusions, then surely the fullest information possible must be provided. Otherwise, members of Parliament, and I include government members who are not in the Cabinet as well as opposition members, merely become rubber stamps or ciphers. Without the fullest information on this or any other question, the public cannot be expected to make any meaningful, realistic and sound judgments.

We pride ourselves on living in a democratic society. I say that a democratic system of government cannot really be democratic or function effectively unless and until government, whether federal, provincial or municipal, is prepared to give to the people, who in the final analysis should make the decision, all the information they can properly be given. Of course, there are certain cases where information should be withheld. For example, the government is proposing to build new airports near Montreal and Toronto. The government therefore has the responsibility for purchasing the hundreds of thousands of acres of land which are required for the construction of the modern airports of today. No government could be expected to announce the precise location of such an airport, because to do so would be an invitation to the land speculator to squeeze every dollar he could out of the government. Thus, I recognize there are occasions when the government cannot disclose the details of a particular plan to the members of this House.

In this particular case the government, in its wisdom, made a promise to build a causeway to Prince Edward Island. Much as I disagree with Liberal governments, I cannot believe that this government promise the people of Prince Edward Island that it would build a causeway only because it was thought that in this way some Liberal members from Prince Edward Island might be elected. Even with the feelings I have about the Liberal party and Liberal governments. I cannot believe that. The government must have had some pretty detailed plans and comprehensive cost estimates with regard to the building of this causeway. They must have had some pretty complete documentation and cost benefit ratios in relation to this causeway to back the former government's promise to the people of the Maritimes that the causeway would be built. Later they decided not to build the causeway. I shall leave it to the hon. member for Hillsborough (Mr. Macquarrie) and others to discuss the details of the causeway since they are much more competent and knowledgeable about it than I.

• (5:10 p.m.)

However, when the government decided not to build the causeway, members of the government must have

had all the details concerning what the latest cost-estimate was. They must have had some information concerning the new cost-benefit ratio. Having made the decision first to go ahead, and later not to go ahead, I cannot see any reason why a government which has spoken so often about participatory democracy, a government led by a Prime Minister who so often has said he believes in dialogue or a government which has set up a whole new department, Information Canada, so that ostensibly the people can be told what government departments do and how government decisions are made, should always say no to any request made by any member of Parliament for such information. Unfortunately, it is usually only opposition members who ask for information.

I say this is unfortunate because I believe it indicates that government backbenchers are not doing the work they were elected to do. They function really as office boys for the government instead of members of Parliament. Few, if any, requests for the tabling of documents are agreed to by the government. In this session, as in every other session, there is a long list of motions for the production of papers on every aspect of Canadian life and dealing with questions which are of vital importance either to this country as a whole or to one area. Time after time we get from this arrogant government a simple, flat no. The government will not give to members of Parliament or to the people of Canada the information which they have every right to have. I say to the government that if it believes in the democratic system, if it believes in the kind of participatory democracy about which government members have spoken, if it believes in the right of the ordinary citizen to have all the knowledge he requests in order that he may make the kind of decisions about government policy which one would hope would be made in a democratic society, it should stop functioning within a mantle of secrecy.

The government should face up to the very simple proposition that instead of everything being private, every report, every study made by the government or for a government department should be made public. Then, the people of Canada will know more about those matters in which they are interested and will be able to decide how they should act on the basis of complete information rather than on the basis of the kind of misinformation we so frequently receive in this country when the government says no to the type of request I made in connection with this motion.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, it would be difficult to find a constituency farther from the Prince Edward Island causeway than mine, but perhaps I may be permitted to enter the debate this afternoon for a few minutes as a member representing a coastal constituency. In my province, we have had to deal with island to mainland transportation over many years, so we have had some considerable experience with it. I know that later on the hon. member for Hillsborough (Mr. Macquarrie) will bring to the debate his own first-hand knowledge and his feelings concerning the matter of transportation between his beautiful island and the mainland. I am not altogether unfamiliar with the territory involved. I have taken the trip across on a few occasions. In fact, I took a trip across to the island on one memorable occasion. When I was asked if I would enter the debate this afternoon, I looked up my office diary for 1968 in which I had put down some notes about that trip. I should like to recall them to mind this afternoon. As the scene unfolds it will perhaps become familiar to hon. gentlemen of this House. These diary notes read as follows:

> Monday, February 19, 1968. Arrived Moncton about noon. Cold—9 degrees below. Windy. Had lunch and left by bus for Tormentine to take the ferry to P.E.I. Many cars waiting. Went aboard to find angry crowd held up for hours while we drove from Moncton. Many others including kids and farmers with animals left in the cold. Ferry *Abegweit*, a 25-year-old railway ferry, all brass and mahogany. Car deck taken up with many rooms down both sides.

There were little brass plaques on the doors. I read the wording on them and noted it in my diary because it was very interesting to see so many rooms and cabins on the car-deck of a ferry which traverses a 9-mile gap. These rooms accommodated pantry stores, crews' mess, carpenter an boatswain stores, engineers' and officers' mess, crews' galley, seamens' mess, provisions stores, waiters, caterer, chief restaurant steward, stewards' smoking room, quartermaster, deckhand, second steward and oilers. The mystery was that any passengers were able to get on board. This was hardly a ferry, I found; it was a floating city which travels between Prince Edward Island and the mainland of New Brunswick.

• (5:20 p.m.)

My notes in the diary continued as follows:

> Lots of ice in the strait. Miserable facilities at both ends. Telephones between the terminals have been out of order for two months. Radio on the ship not working. Costs $1.65 to use the ship-to-shore telephone.

Then, the diary note concludes:

> Caught in snowbank for seven and a quarter hours and arrived Charlottetown midnight to hear the government had been defeated on its tax legislation.

I have never spent as memorable a night on the ferry services of British Columbia, Mr. Speaker. Let me contrast that with what has taken place in British Columbia. But first, may I say that if I were a regular user of this ferry service, were I a native of P.E.I., I too would be asking for a causeway. As I say, let me contrast that with what has taken place in the province of British Columbia. For many years, stretching back to the early days of the settlements on the west coast, we had a ferry service between the city of Vancouver on the mainland and Victoria on the southern tip of Vancouver Island.

Mr. Speaker: Order. I apologize to the hon. member, but I think I owe it to him and to all other hon. members to remind him and them that we have before us a motion which is limited in its terms. It calls for the tabling of certain documents. That is the motion that has been put forward by the hon. member for Winnipeg North (Mr. Orlikow) for consideration by the House

For many decades it has been agreed and recognized that such motions provide for a debate which is narrow

in its scope, and that hon. members participating in the debate ought to limit their contributions, within reasonable limits, to the question that the motion places before the House, namely, whether certain documents ought to be tabled or not. That is what we have to consider, and on which there should be a decision eventually.

I would think that even debate on the question of whether there should or should not be improvement in the ferry service between Prince Edward Island and the mainland would to some extent be out of order. What we should be discussing is whether documents should or should not be tabled. When we go to the other end of the world, the other side of the continent, and consider whether there should or should not be additional or improved ferry services between Vancouver Island and the mainland, I would think we are going far from the motion which is before the House. I appreciate that the hon. member is making a very interesting speech. We were all fascinated by his travelogue, but I would think an effort should be made, before the 20 minutes allotted to the hon. member expire, to come back to the motion which is before the House.

Mr. Deachman: Mr. Speaker, if I may be permitted to continue just a little further, you will see how this connects up, and in a very pertinent way, with the motion that is before the House. As the hon. member for Winnipeg North (Mr. Orlikow) said, we are here to urge the government to make sure that all the considerations were placed before the experts making the survey so that they could make a judgment in respect of the causeway. I think one of the judgments they would want to make, and which the government would want to see them make, is whether or not elimination of the ferry service and the building of a causeway are necessary, simply because there is not a competent ferry system which could be operated in that particular location.

My argument today is that when those documents are tabled, we should have tabled with them a competent examination of the ferry services to determine whether or not a causeway is in the best interests of the people concerned, and whether or not a competent ferry service could give the people what they require. I think that is pertinent to the argument being made, and is narrow enough to adhere to the point that is before the House. If such a study does not come forward with the documents, then I think the government has not properly instructed the experts on carrying out their survey, or the experts themselves have not gone far enough afield in their survey to determine whether or not adequate cost-benefits exist in a causeway. The experts should be prepared to point out other alternatives, and to present documents to the House in order to demonstrate those alternatives.

Following along this argument, I point out that in British Columbia we had experienced a ferry service quite akin to the kind of service that has existed for a long time between P.E.I. and the mainland. That ferry service was operated by the Canadian Pacific Railway. I think this is germane to the argument I am making because in this instance we are speaking of railway operated ferry services. On the west coast, the ferry service grew old. The vessels grew old. The Empress Hotel in Victoria, one of the famous Canadian hotels, was beginning to run down. The CPR was considering whether or not it could maintain service to the hotel. People began to disregard the ferry service and to use air service. Air service expanded until 17 planes a day were running between Vancouver Island, Schwartz Bay airport and Pat Bay airport serving the city of Victoria.

Eventually, the provincial government decided to build its own ferry service, prompted first of all by completion of a tunnel which enables traffic to move very swiftly out of the heart of Vancouver to the ferry landing area, which is about at the 49th parallel. The ferries are of the most modern kind. They are end loaders. Cars roll off and on with great speed. Fast highways connect the ferry with the two cities at either end, and so what we are looking at, as compared with the former railway service, is a highway oriented ferry system designed to serve automobiles and trucks, and in no way connected with rails. It is based on having excellent highways open at all times for traffic, and fastloading and unloading. This leads one to believe that if a system such as this existed rather than the railway oriented system of Prince Edward Island, it might very well meet the needs of that island, and meet them for a long time, because the Canadian people will have to look at the very, very heavy cost of a causeway to serve that area. If legitimate alternatives exist, then those legitimate alternatives should be explored.

• (5:30 p.m.)

What happened after the highway-oriented service between the mainland and Vancouver Island went into operation? First of all the old Empress Hotel in Vancouver, which the CPR had thought it would have to phase out, suddenly became prosperous and today is being updated to take care of the additional service. Tourism has increased as a result of the improved traffic. What happened to the fast and cheap air service—17 planes a day to the island? The fast highways and fast ferries gave it competition. With the time needed for the drive to the airport, the air flight and the journey at the other end, the demand for air service has decreased to a few planes a day.

In considering the question of a causeway the very large cost involved must be considered. Is it possible that the people of Prince Edward Island would find that their needs could be satisfied with a highway-oriented road service and a ferry service, roads that were open year round to the main points served by the ferry, and terminals adequate to house people in subzero weather? Our experience shows that traffic expands when good service is provided, so there should be good maintenance. Ship-to-shore telephones should remain open, terminal telephones should operate efficiently, and in every way an excellent service should be provided.

If these conditions were made part of the study, I think we could compare this service with the cost of operating a causeway. The people of Prince Edward Island might find that they could have the enjoyment of their island without really connecting it to the mainland by a causeway; that they could have excellent service to and from

the mainland to supply their needs and improve the tourist traffic. They might find this a better solution to the problem than waiting for the day when the people of Canada could find the quarter of a billion dollars to build the causeway they dream of.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I must congratulate the ever diligent and thoughtful member for Winnipeg North (Mr. Orlikow) for taking an interest in this question. I congratulate him for two reasons: a diligent member should be seeking inportant information, especially information relevant to decisions regarding financial expenditures, and I commend him for correctly assessing that this important matter for which the report is requested is not regional or provincial but is a national issue. By bringing forward this motion he reveals himself as a good parliamentarian. I hope the motion will pass.

We are at a stage now where information concerning the causeway project is vitally important. In this respect I should like to refer briefly to the statement of the hon. member for Vancouver Quadra (Mr. Deachman). I know that his heart is in the right place and that he wishes us well, but I should like to cover a few points where his information might be inadequate.

In Prince Edward Island our greatest cash crop is not readily transportable by truck and so far has required a tremendous movement of reefer cars from the railway. So we are not in a position to abandon the railway at this stage of our economy or technology. I can think of no trucking company which would be in a position to send down the vast number of trucks and transfers required to market such a perishable and market-sensitive product as potatoes.

I would also point out that a comparison of the ferry service in the hon. member's province and mine must include one important ingredient, the fact that we have very heavy ice conditions. For this reason we must have powerful icebreakers to provide continuity and efficiency of service. The hon. member mentioned the ferry boat *Abegweit* which we crossed on together in 1968—not a luxurious vessel by any means. When one considers how many times that boat has to cross the strait in winter conditions, bucking ice, and that many of these men are on double shift, the fact that they have a little cabin to rest in between shifts cannot be regarded as luxury. It is an old ship, and the people of Prince Edward Island are concerned that it is the only icebreaker that the Minister of Transport (Mr. Jamieson) is leaving with us. It has been in service since 1947. The people are not overjoyed either, with the government's decision to remove the largest and newest car ferry, the *John Hamilton Gray*.

The people of Canada, and particularly the Maritimes, have been given many conflicting stories about the cost of the Northumberland crossing. I would have thought the government would have welcomed the opportunity to produce this data. At first we were told that the causeway could be built for $105 million, then we were told $146 million. When the project got under way with magnificent spur railways and highways pathetically leading to the open sea and almost $20 million expended, we were told the cost would be well over $300 million.

When doubt was raised, Colonel Edward Churchill was engaged as a consultant for the Department of Public Works to study the project on the spot, to engage staff to investigate the matter and give an estimate of the cost. Colonel Churchill is a most eminent engineer and was involved in the construction of the Expo site. His recommendations are found in report No. 26 of the Standing Committee on National Resources and Public Works, first session of the twenty-eighth Parliament. In answer to a question about the cost of the highway he said, as reported at page 443:

• (5:40 p.m.)

The $300 million figure was not mine, I do not know where it came from, and I think that I cannot make any comment other than to say it is a silly figure. I do not know where it came from.

A diligent member from Prince Edward Island, whose name I will not mention, then asked, "Silly because it is exaggerated?" Colonel Churchill, said "Because it is not true—and it certainly did not come from us." An hon. member then asked, "In your view, is it an exaggerated figure?" Colonel Churchill answered, "Yes." I then said, "Thank you very much." Sir, with this uncertainty, this confusion, this evasion and this repudiation by the government of Canada of a solemn commitment to build a permanent land link, is it any wonder that I should join with great sincerity in the matter raised by the hon. member for Winnipeg North and ask this House for further information on this tremendously important matter?

Like the hon. member for Winnipeg North, I am concerned. In the age of Information Canada there seems to be a growing tendency to regard almost any document as being one which should not be revealed. Time after time that is the answer we receive in response to motions for the production of papers. I cannot believe that a democracy can be healthy if it is not informed. Thomas Jefferson enunciated that great truth many years ago. The denial of information surely cannot contribute to the effective and efficient dispatch of our business.

It is particularly important today that we know the true story and what is to be done about the Northumberland crossing. It is important because it may well be in the interests of the financial welfare of Canada that this permanent land link be built now. The particular ferry service which the hon. member for Vancouver Quadra talked about is a most expensive service and the subsidy required every year is rising at a rapid rate.

I have always believed, and Colonel Edward Churchill also stated this when being questioned, that it would be good, sound economics to build a permanent land link. If you incur year after year deficits of between $7 million and $10 million, you will soon reach the stage at which a land link, with a toll which would amortize its cost in a reasonable time, will be the better course of economic valour and political wisdom. Yet the people of Prince Edward Island today are uncertain about the cost, despite

the fact that the surveying and studying of this great project began in 1956, quite a while ago. Some of the finest experts from three or four countries undertook that study.

Just two days ago I asked the Minister of Public Works (Mr. Laing) if he had received proposals from the government of Prince Edward Island or private interests suggesting that they might build this land link with suitable co-operation from the government of Canada. The minister's answer was no. The press and other media in my province have indicated that such proposals are in the offing. Surely these people must know the financial facts. It is just as important for them to be known by the people for whom decisions are being made.

The people of Prince Edward Island are undergoing a severe diminution in the number of vessels provided for their transportation and for the transportation of their goods between the mainland and our province. The removal of the *John Hamilton Gray*, our fine, new ferry, was a backward step. So far as winter travel is concerned, we are now back to where we were 20 years ago and depend only on this old boat which the hon. member for Vancouver Quadra remembers so well from that stormy night.

It has been a long time since our province entered confederation on the promise that the dominion government would provide us with continuous and efficient transportation to the mainland. It has been a long time since we were reduced to one ship. That is why I believe it is most important for the government to comply with the motion and let the people of Canada, particularly the people of our region, know the facts.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, once again I rise to speak on a notice of motion for the production of papers. Frankly, I am surprised how many such motions appear on the order paper. Some hon. members opposite have suggested that this government acts secretly and it does not make information available. That is not in accordance with the facts. There are all sorts of sources of information available to us. I submit that rather than not getting enough information, those of us who want to do a good job are getting a surfeit of material to study. We are inundated with information. It is also not correct to say that none of these papers asked for are produced, because many of them are.

We are dealing with a specific motion in the name of the hon. member for Winnipeg North (Mr. Orlikow) which asks for a copy of the report by C.B. Haver of Montreal for Northumberland Consultants Limited on a certain matter. When I read one of these motions for the production of papers of one type or another, my first reaction—I would be less than candid if I did not say this—is, "Why not?". For that reason I have made it a point to listen to reasons advanced by ministers or parliamentary secretaries as to why a particular letter, paper, document, study or report should not be produced.

By the same token, I have paid careful attention to reasons advanced by hon. members for having a certain paper or document produced. Unhappily, many of the reasons advanced by hon. members seem to be lost in other comments which they see fit to bootleg into the debate. The comments do not deal specifically with the notice of motion to produce papers but relate to the pet project of the hon. member speaking. I think it is only fair to say that hon. members on this side of the House probably take as much advantage of that opportunity to bootleg remarks into debate as do members of the opposition parties.

Those who have listened to these debates instead of taking part in them have found that some reasons for not producing papers are fairly obvious and are readily acceptable to the mover of the motion. I refer to the situation in which the production of papers, in the opinion of the minister, would affect the security of the nation. To be fair to hon. members moving motions of that kind, almost without exception they agree to withdraw them. Sometimes it is obvious that the hon. member is only fishing. He has heard a rumour or it has been suggested to him that a particular document exists, so he has put on the order paper a notice of motion for the production of the document, only to find when the minister or parliamentary secretary answers that the document does not exist or it is not the property of that minister.

Of course, the other reasons are also advanced by ministers, namely, that the document is a privileged communication between governments or that the federal government or the minister concerned has given the minister or officials of another government an undertaking that such document or documents will be treated as confidential. There are other reasons. This is the grey area into which we get and the reason we have this kind of debate. When a minister receives a report on study, or a document which is needed for internal use of the department, he is called upon to make this decision. He uses this as his reason.

• (5:50 p.m.)

There are times when an individual is asked to prepare a report. That individual, who may be a professor or an expert in a particular field, undertakes the study and reports to cabinet on the understanding that his conclusions will be treated as confidential. If the minister breaks this confidentiality he has broken faith with the individual to whom he has given his word. The minister finds himself in a difficult position. He feels he must honour the undertaking and not reveal the contents of the report because he earlier indicated he would not do so. Surely this is necessary so that the individual who is making the report can feel free to express himself in many areas although he may not be completely in accord with them. He tries out ideas on the minister or department which are, hopefully, backed up by the studies he has made.

Many documents are produced, but not particularly in fulfilment of notices of motions because for one reason or another in the opinion of the minister these documents cannot be produced. I was a member of the Standing Committee on Public Accounts when it was studying a particular subject. Approximately 1,400 contracts were made available to the committee which was studying

only one phase of the matter. We have been told that 12 committees of this House are sitting today. From time to time motions are made in committee for the production of papers, documents, contracts or agreements. These are brought forward by the witnesses and made appendices to the minutes of the committee.

I believe other members wish to speak on this subject. There are other comments I would like to make; however, I have tried to make my point and stay within the four corners of the hon. member's motion. The minister has already indicated why this particular document cannot be produced. He stated that the report was prepared, in this instance, for use within the department and in his opinion at least it is a privileged document.

Mr. Maurice Foster (Algoma): Mr. Speaker, the motion by the hon. member for Winnipeg North (Mr. Orlikow) relates to a notice of motion for production of papers, namely, the report by Mr. C. B. Haver in connection with the Prince Edward Island causeway. The motion reads:

> That an order of the House do issue for a copy of the report by C. B. Haver of Montreal for Northumberland Consultants Limited regarding a review of the cost-benefit evaluation by Stanford Research Institute for a Prince Edward Island causeway as mentioned in answer to question number 1,832 reported in *Hansard* July 21, 1969, at page 11374.

Hon. members have argued whether papers of this nature, which are internal working documents, should be made public. The hon. member for Sarnia-Lambton (Mr. Cullen) has argued that many of these documents, especially those which relate to a purely internal matter, should not be made public.

Surely it is cabinet ministers and the government who have to make the big decision. If all the working documents prepared for them by civil servants were made public, both the cabinet and the civil servants would be put in an impossible situation. The cabinet has the overall responsibility to decide, whereas the civil servant only has to prepare a report on one specific aspect. The civil servant does not have to take the over-view of what will be the cost of government needs.

The hon. member for Winnipeg North said he was not arguing with the decision that was taken, or the cost of the project, but only the need for these papers to be made public. He argued that members of Parliament must have all information available. Surely this is a time when we want a great deal more background information. When making decisions, we are not prepared to fly blind without the necessary information. In this case the government has made a decision based on the economics of the situation which existed in the spring of 1969. It felt that this was the best course to follow, whether the cost was $140 million or $300 million to which it later escalated. The government had to decide whether it was worth while to spend that amount on that particular project at that time.

When the government decided not to proceed with the project, it announced a development program for the province of Prince Edward Island. The regional development committee met last year and had an opportunity to review with the officials of the province the effect of this program on the province.

The Acting Speaker (Mr. Richard): Order, please. The hour for the consideration of private members' business having expired, I do now leave the chair. This is April 1st.

> The sun was warm but the wind was chill.
> You know how it is with an April day;
> When the sun is out and the wind is still,
> You're one month on in the middle of May,
> But if you so much as dare to speak,
> A cloud comes over the sunlit arch,
> A wind comes off a frozen peak,
> And you're two months back in the middle of March.

I think it is good to remember that April is much more than April Fool's Day.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

On clause 14—*Establishment of Ministries of State.*

Mr. Hymmen: Mr. Chairman, I appreciate the opportunity of making a few remarks on clause 14 at this time.

Some hon. Members: Hear, hear!

Mr. Hymmen: I shall be very brief.

An hon. Member: No; take your time.

Mr. Hymmen: I accept the invitation implicit in the statement of the hon. member for Peace River that no one on the government side could explain or express an opinion on this clause. Before I continue I should like to reply to what was said earlier today by the hon. member from Northumberland. We on this side of the House appreciate the hon. member from Northumberland, a former cabinet minister. We have missed him in the last couple of weeks, with his ready disposition and the jack-in-the-box way in which he directs questions to the Minister of Finance. Today he was talking about the Liberal pork-barrel. With all due respect, Mr. Chairman, I have not seen a Liberal pork-barrel. The only barrel I have seen is the one which was rolled out at the Kitchener Oktoberfest last year and which will be rolled out again this year in recognition of the presence of an important ethnic group from Germany.

The hon. member is not here this evening but I will ask him through you, Mr. Chairman, whether, speaking

of pork-barrels, he would not care to approach his neighbour, a former member of the cabinet of the province of Ontario, Mr. Simonette, and maybe through his good friend, the hon. Mr. Davis, the hon. member for Northumberland could be appointed vice-chairman of some commission in the province of Ontario. Patronage is very evident in the province of Ontario, although I have not seen much Liberal patronage here.

I am reminded of a private member's bill introduced by the hon. member for Cochrane which suggested there was merit in appointing members of the House of Commons to places on boards and commissions. There is a good deal of merit in this idea—

An hon. Member: What about the Transport Commission?

Mr. Hymmen: —because it might result in better liaison between the legislative body and the various boards and commissions which, as we all know, are at arm's length from the government. Of course, the Hon. John Robarts who recently retired as Premier of Ontario was not able to solve this problem any more than we have been able to solve it. All the appointments to boards and commissions in Ontario have been made from the Conservative party, the government side. I think there are only about seven, or perhaps nine, supporters of that party in the legislative assembly who do not enjoy an additional appointment to some board or commission in the province.

Possibly this is done to provide extra income to the members of the legislative body in the province of Ontario, but I would remind hon. members that those who sit in the provincial legislature are in receipt of the same allowances and salary as we receive in the federal House. Moreover, many of them are not required to support two residences and incur all the extra expenses which Ottawa members have to meet.

Mr. Francis: Would my hon. friend permit a question? Is he aware that according to press reports, of all the members on the government side of the Ontario legislature only eight fail to receive additional income above and beyond their $12,000 emolument? This is in the last fiscal year.

Mr. Hymmen: This is the point I am trying to make. My hon. friend says there are eight. I suggested there were seven or nine. The number is in that area, and I am sure Mr. Davis will make some arrangement for the remaining eight or nine.

Mr. Yewchuk: Order. The hon. member is out of order.

Mr. Hymmen: I realize that, Mr. Chairman, and I do not wish to carry on in that vein. I wish to deal with the clause itself.

Mr. Yewchuk: On a point of order, Mr. Chairman, the discussion should pertain to Parliament rather than to the Ontario government's problems.

The Acting Chairman (Mr. Richard): Yes. Having completed his introduction and perhaps laid a basis for his argument, the hon. member for Kitchener should now proceed to discuss the bill before us.

Mr. Hymmen: Yes, Mr. Chairman. At this point may I apologize to members of the opposition? On two occasions I referred to Northumberland. This was in error. I believe the constituency is Prince Edward-Hastings, not Northumberland. But that does not detract in any way from the remarks I made.

• (8:10 p.m.)

As far as clause 14 is concerned, the hon. member for Prince Edward-Hastings and other members of the opposition, whether intentionally or otherwise, have completely missed the point. So has the right hon. member for Prince Albert who presided over a very important administration some years ago. These hon. members know that with increasing changes in our society today, it is becoming extremely difficult to govern. How many bills to reorganize the government did the former Conservative government bring in? We have been criticized for bringing in two. I say to the right hon. member for Prince Albert, whom many in the House admire—I admire him for his tenacity and for the fact that he has been many years in this Parliament—that had he followed the former leader of this party and taken his retirement, perhaps with the co-operation of this government he would have retired to the other place where he could have been placed on a pedestal for all of us to admire for the rest of his years. We have been criticized for the dictatorial attitude of our Prime Minister. We on this side of the House do not know who the leader of the official opposition is; certainly it is hard to know at the present time who does lead the official opposition.

If I may return to clause 14, I think the members of the opposition are missing the point. I have said that there are increasing problems confronting government in this twentieth century. Reference has been made to the number of parliamentary secretaries in the government. There are many very qualified ministers, respected in all parts of the House, who have no parliamentary secretary. I think, for example, of the Minister of Public Works, the Minister of Energy, Mines and Resources, the Minister of National Defence, the Minister of Veterans Affairs, the Minister of Consumer and Corporate Affairs—a very important department—the Minister of Communications, the Minister of Supply and Services, the Minister of National Revenue—a new appointment—and also the Solicitor General.

The other day an hon. member accused me of trying to force my way through an open door. That is not my intention at all. I am just being goaded by the hon. member for Peace River and by other members of the House, whom I respect, to make a few brief remarks in support of clause 14 of this bill.

Mr. Baldwin: When are you going to start?

Mr. Hymmen: The idea of ministers of state has been borrowed from the mother of Parliaments at Westminster. A minister who sits just in front of me, the Minister without Portfolio who is responsible for housing, has

been suggested, I believe, as the new minister of housing and urban affairs. The new Premier of the province of Ontario has just announced a very important housing program. He did not say what amount of federal funds would be involved, but housing and urban affairs is a very important responsibility of the provinces.

Some time ago the Prime Minister stated, during all the deliberations, meetings and conferences held on the subject of the Constitution, that we should live by the Constitution until we change it. Through the establishment of a minister of state with a secretary instead of a deputy minister we can perform a very important operation within our Constitution that will assist the provinces as well as ourselves without the creation of a large department of the kind the opposition seems to fear.

Another very important problem in this country is evidenced in the first report of the Senate Committee on Science Policy. This report suggests that the government appoint a minister of science. I suggest a minister of state for science would be very appropriate. Such an appointee could work with the Science Council and other bodies, with the assistance of a secretary within a small operation, rather than creating a separate department to design science policy. The same suggestion can be made with regard to the recommendations in the report on the status of women. In this way many other areas could be handled very nicely within our Constitution. Additional responsibility could be given to these people who would work with provincial authorities and others in the country, thus making a useful contribution to Canada.

I made this interjection because the hon. member for Peace River, who has done an excellent job as House leader for the official opposition, suggested that we in the backbenches are a bunch of sheep, that we are rubber-stamps for government bills.

Some hon. Members: Shame!

Mr. Hymmen: I am very much sold on this government bill, and in the interest of passing clause 14 I shall now desist from making any further remarks.

Mr. McGrath: Mr. Chairman, we are very pleased to have heard the intervention of the hon. member for Kitchener.

Mr. Schumacher: He is the only Liberal who has spoken today.

Mr. McGrath: Yes, the only supporter of the government who has had the nerve, the fortitude and courage to rise in his place today and make a contribution to this debate. I think the hon. member for Kitchener deserves a great deal of credit. Without his contribution we would have gone through the day debating this very important bill before us without any participation by members on the other side of the House. One might almost suspect that the legislation is meeting with the unanimous support of hon. members opposite.

Mr. Boulanger: Yes, that is right.

Mr. McGrath: I do not think that is so. I see on the other side some of my hon. friends who were former parliamentary secretaries but have now been demoted, put out to pasture. They sit there through this debate with long faces. I know they do not support this legislation. It is a matter of some regret to me that they do not see fit to make a contribution to the debate, as the hon. member for Kitchener has.

I also see the Minister of Fisheries and Forestry who is waiting patiently and anxiously to get the commendation of Parliament to go forth across the country on his white charger and be the Mr. Clean for all Canada. He is waiting to be proclaimed minister of the environment, when he will forget all about the department that gave him his start in public life—the Department of Fisheries and Forestry. The minister will go forward with all his new powers wrested from the Minister of Energy, Mines and Resources—who is not here and is heartbroken at losing some of his powers—from the Minister of National Health and Welfare and from other ministers. I wish the Minister of Fisheries and Forestry would follow the hon. member for Kitchener and participate in this debate.

I observe the assistant government whip now leaving the chamber. He is one of the aspiring parliamentary secretaries who is hopefully waiting for the passage of the bill so he can receive his emolument. If he were to stay in the committee and listen, he might learn something and perhaps be provoked into making a contribution to the debate. He knows in his heart that Members of Parliament are concerned about what this government is doing.

• (8:20 p.m.)

Members of Parliament are concerned over the fact that this government by proclamation can set up new ministries of state, something which has been unheard of in the history of the Parliament of this country. The government will be able by proclamation to set up a ministry something akin to a department. This minister in this ministry of state, under the terms of this bill, will be in charge of policy. He will be formulating the development of policy, something which heretofore was strictly within the purview of the government. This, Mr. Chairman, is a matter of a great deal of concern even to the hon. member for Kitchener who just made a very brilliant intervention in this debate. What concerns me is that by the creation of these new ministries of state the government is giving a licence—I am glad the President of the Privy Council is in his seat—to still more members of the House to be absent from the House under the obnoxious and illegal roster system.

Some hon. Members: Hear, hear!

Mr. McGrath: This is a basic denial of the very fundamentals of responsible government whereby the government of this country must, on a day to day basis, be responsible to the elected representatives of the people.

An hon. Member: Where are the members?

Mr. McGrath: Where are the members? That is a very good question and one which deserves to be dealt with. Where are the members of the House today? Apart from

the question period, when members of the ministry are absent due to the illegal roster system, members of the House are required to be in committee. Today 12 committees of this House met at a time when the House is in committee of the whole, which should indicate that this Committee would preclude any other committee of the House sitting because this is a committee of the whole House. Yet we have 12 committees scheduled today, comprising a total of 198 members of the House.

Some hon. Members: Shame!

Mr. McGrath: We have 30 members in the cabinet, which would give a total of 228, and Your Honour, the Speaker and the Deputy Speaker, which would give a grand total of 231. Then there are the absentees and the vacancies in the House. Mr. Chairman, who is to man this committee of the whole House when 12 committees are sitting with a total membership of 198? I will tell the hon. member for St. Boniface who will man the committees. Yesterday we sat with him in the Committee on Regional Development while hearing the estimates of the department. He was the only government member present. The only reason he was present is that he is vice-chairman of the committee. Today 12 committees met, and I know of committees of this House which met when there was nothing akin to a quorum. I know of one committee which sat today and heard evidence with just two members present. Now we are talking about creating five new ministries of state and increasing the number of parliamentary secretaries.

The Deputy Chairman: Order. The hon. member for St. Boniface on a point of order.

[*Translation*]

Mr. Guay (St. Boniface): Mr. Chairman, I rise on a point of order. I should like to tell the House that such was not my reason for being present at the committee meeting. I always attend meetings of the committees of which I am a member and I had reasons to believe that the hon. member who just had the floor would not be there and that for a while we could hear other members speak.

That is the reason why I insisted on remaining in the committee all afternoon.

[*English*]

Mr. Hees: It would be better if you were there now, Joe.

Mr. McGrath: So, Mr. Chairman, they make a mockery of this place; and by bringing in this particular amendment in this omnibus bill which would create still more ministries and which would give the government the right to create ministries by proclamation, the government is further adding to the erosion of the rights of the Parliament of Canada. Let us for a moment take a look at the roster system. What do we have on the government's roster system about the presence of members of the cabinet? On Monday we have 14 per cent of the cabinet present; on Tuesday we have 19 per cent of the cabinet present; on Wednesday we have a big day, with 20 per cent present. I am sorry; it should be 20 ministers present, which is 69 per cent. I will read those figures again. I am sure even members opposite will allow me to make that mistake.

An hon. Member: They did not know the difference.

Mr. McGrath: They did not know the difference. Only the assistant government whip was smart enough to know it. I would say that in itself should qualify him for one of the new parliamentary secretaryships: I hope he gets one. On Monday we have 14 ministers present, or 48 per cent; on Tuesday we have 19 ministers present, or 65 per cent; on Wednesday we have 20 ministers present, or 69 per cent; on Thursday we have 19 ministers present, or 65 per cent; and on Friday we have 15 members present, representing 52 per cent of the cabinet. That would be very fine if even all the ministers who were supposed to be here—

The Deputy Chairman: Order, please. The hon. member for Kenora-Rainy River on a point of order.

Mr. Reid: Mr. Chairman, I wonder if the hon. member would permit a question. Would the hon. member give us the percentages in terms of the ministers who are supposed to be here, on the roster system, instead of the absolute figures which do not mean anything?

Mr. McGrath: All I can say to the hon. member, who is one of those who aspires to be a parliamentary secretary, is that under Standing Order 5 of this House every member is supposed to be in his place. That includes members of the cabinet. But let us stop for a moment and look at the new ministries of state which will be set up under the provisions of this particular part of the bill. There are to be five ministries of state set up by proclamation of the Governor in Council. There are only three of which we know, the Minister without Portfolio who is to be designated as the minister of urban affairs, the other Minister without Portfolio who is to be designated minister responsible for Information Canada, and a third Minister without Portfolio who is to be designated as the minister responsible for the Post Office.

• (8:30 p.m.)

Are we to assume that this is only a temporary situation? Are we to assume that by this innovation, this new designation of a ministry of state, we have a temporary situation? If we are to assume that, then are we to assume that the government looks upon urban problems in this country as a temporary situation? I suggest to you, Sir, and to the members of the committee that the problems facing the cities of Canada today, the great problems of urban transportation, housing and urban renewal, warrant the designation of a permanent department of urban affairs.

Why do we take this half measure? Why do we set up a minister of state for urban affairs whose responsibilities are somewhat less than those of a minister who presides over a full department of government? Is this to be a surreptitious way of changing the Constitution of

the country? Is this something on the line of the government's roster system? Are we to have an inner and outer cabinet, as in Great Britain where they have members of the cabinet and junior ministers? If so, why doesn't the government say so, instead of trying to do it by this back door method?

Mr. Boulanger: Mr. Chairman, may I have permission to ask the hon. member a question?

Mr. McGrath: Mr. Chairman, I have but 20 minutes in committee of the whole.

Mr. Boulanger: It will be a short one.

Mr. McGrath: The hon. assistant government whip will be able to contribute to this debate later, or perhaps he will ask his question after I have used my 20 minutes and in that way I will have another 20 minutes to reply to him.

Mr. Boulanger: My question will not take 20 minutes to answer, if I have the hon. member's permission to ask it. Also, it will help him.

The Acting Chairman (Mr. Richard): Order.

Mr. McGrath: If the assistant government whip, who aspires to the full title, is prepared to guarantee that I will have unanimous consent of the committee to speak for additional time, I will entertain his question.

Some hon. Members: Agreed.

Mr. Boulanger: I do not think you will need any more time to say what you are saying now. But what I want to ask, in this English that I have been learning for the last ten years in this House—I hope it is getting better—is, what would you call a member being on duty in the House of Commons? What would you call a member being on duty in a committee, on duty in the House or working up on the Hill? Would you agree that when a member is doing these things he is on duty?

Mr. Bell: Explain.

Mr. McGrath: Mr. Chairman, I would invite the hon. member, for whom I have great respect, to make his own contribution to this debate and enlarge upon the very ambiguous question that he just put to me. What I am concerned about is that here we are considering a bill to reorganize the whole government of Canada, setting up new ministries of state, setting up additional parliamentary secretaries, setting up new departments, bringing in amendments to the Public Service Superannuation Act, and yet we have so few contributions to the debate from members of the government. That is one of the reasons I entertained a question from the hon. member and it is one of the reasons for my hoping he will enlarge upon what he tried to say; and may I say I am sure he is intent and sincere about it. Let him contribute to the debate just as the hon. member for Kitchener did, who has now probably gone up to correct the blues since he is no longer in the Chamber.

[Mr. McGrath.]

Three of the five ministries of state are already designated, and Parliament is being asked to give the government a blank cheque with regard to the other two. I would like to ask, is Information Canada, established by government edict and proclamation, just a temporary thing? This is what we assume, since it is to come under one of the new ministers of state. Why doesn't Information Canada merit the attention of the Secretary of State? More particularly, if the government places so much, emphasis as it appears to place on Information Canada, why is it not made a complete department of the government?

I suggest that the government is trying to do what other governments, provincial governments, have already done. Here I think of the Liberal government in the province of Newfoundland which ensured the support of its own caucus by appointing a majority of its members to the cabinet. It appears that is what the federal government is intent on doing.

I emphasize the question that I put to the government House leader at five o'clock and which I repeat now. If this place is to mean anything, if we are to take our work seriously, does he think in his own heart, as a great parliamentarian, that this institution can be effective by having 12 standing committees of the House meeting on the same day and at the same time as the House is meeting in committee of the whole on a very important bill to reorganize the whole government structure?

Mr. Boulanger: There is only one committee tonight.

Mr. McGrath: The government House leader knows that there were committees meeting today and that there were committees meeting yesterday. He also knows that these committees are meeting without the benefit of a quorum. Mr. Chairman, these committees in most instances, if not all instances, are meeting illegally. Most of these committees are hearing evidence from important witnesses, including ministers of the Crown.

I point to the Minister of Fisheries and Forestry who had the humiliating experience of having to sit in front of his own committee, the Standing Committee on Fisheries and Forestry, to consider a very important bill, the clean air bill, when there weren't even five members present. He had to listen to the senior officials of his department, including his deputy minister, give evidence on the bill without even five members present.

Mr. Corbin: When was that?

Mr. McGrath: That was a few days ago. The parliamentary secretary probably wasn't even present himself.

The Acting Chairman (Mr. Richard): Order. I have to advise the hon. member that his time has expired.

Mr. McGrath: I was of the opinion that when I was interrupted by the assistant government whip with his question, I would be given extended time.

The Acting Chairman (Mr. Richard): The Chair has already allowed three minutes for that.

Some hon. Members: Continue.

The Acting Chairman (Mr. Richard): The hon. member for Athabasca.

Some hon. Members: Oh, oh.

Mr. Yewchuk: Mr. Chairman, I was waiting for the light to go on.

Mr. Hees: You will never get the light on over there.

The Acting Chairman (Mr. Richard): Order. I know it is not the duty of the Chair to hurry debate in order to see bills passed, but the Chair does wish to hear arguments which may be in favour of or opposed to the bill. I have been trying to follow the thread of the arguments presented but there have been so many deviations that I have had trouble doing so.

Mr. Hees: That is because of the rude members on the Liberal side. They keep on interrupting, which is something we never do.

• (8:40 p.m.)

Mr. Yewchuk: Mr. Chairman, I hope all members opposite are settling down because I do not want them to miss any of my very important comments. During the portion of the debate dealing with the establishment of ministries of state, as well as ministers of state, the debate has also touched upon a successive clause dealing with the establishment of a larger number of parliamentary secretaries. Throughout this debate the most visible and obvious contributions made by members on the government side were the continuous broad smiles on their faces during the course of the debate, particularly in dealing with part IV.

As I did not pay close attention to this bill at the onset of the debate, I became curious to know the reason for these large smiles. The reason becomes very obvious when we look at part IV and part V of this bill. The Prime Minister has finally come through with the bonanza that all these fellows have been waiting for for three years. I hope they are able to continue smiling when this bill is passed.

I notice, in particular, the hon. member for Kitchener was not only smiling but was drooling all over his necktie and on the front of his shirt. The hon. member for Sarnia is drooling, and the hon. member for St. Boniface as well as the hon. member for Kenora-Rainy River. It might be reasonable to stop at this point and pass some supplementary estimates to buy bibs for these fellows to use until this bill gets through. I hope all those members who are smiling on the government backbenches will continue to smile when the bill is passed, and that their smiles will not turn into a look of guilt when they sit down and assess what they have done, namely, stuck their fingers into the people's piggy bank and come out with substantial loot to be used for their own personal gain at the expense of the already overburdened taxpayer.

As has been pointed out on several occasions during this and other debates, Canada already pays the highest per capita tax of the countries of the free world. On looking at part IV and part V of this bill, the first question that came to my mind was: What for? What possible reason could there be, in addition to the present 29 or 30 ministers and with the freedom to appoint an equal number of ministers without portfolio, to want a free hand to appoint an additional five ministers of state at the discretion of the Governor in Council, without consulting Parliament and without necessarily indicating the reason for such appointments.

Part IV states that these ministers will be responsible for formulation and development of policies. If this job is turned over to the ministers of state, what will the existing ministers be doing? What will all the civil service people be doing who are charged with this responsibility? What will the Prime Minister's burgeoning supportive staff be doing? It seems to me that this bill in part IV and part V is proposing to promote a shameful waste of public funds at a time when our economy is in very dire straits as a result of the government's actions. This is not the time to be wasting public funds.

This may be considered an effort by the government to solve in part the unemployment situation, but I wish to point out to the Prime Minister and his gang that the proposed additional ministers are already employed as members of Parliament and there is nothing stopping them assisting ministers on formulation and development of policy as members of Parliament. I cannot see that appointing them as ministers of state would increase their intelligence or their ability to develop and formulate policy.

However, if the government can show me that an appointment such as that would increase the ability of a member to formulate and develop policy, I would suggest all members of Parliament should receive such appointments to the great benefit of the country as a whole. Unfortunately, it appears at present that the great advantage will only be to the majority of Liberal members who will benefit from an extra salary of $15,000 per year. It is very questionable that they will be able to justify such an increased government expenditure.

Mr. Chairman, unless the Prime Minister, in whose name this bill stands, can offer an explanation besides the obvious one, namely, mercenary considerations on behalf of Liberal members, I cannot see any way in which we can support this bill. I would find it much easier to justify a decrease in the size of the cabinet. As an example, the minister responsible for Information Canada cannot really justify the existence of his department to the people of Canada. That department, along with the ministerial post, should be abolished.

The job held by the Secretary of State is hardly one that needs a separate department and minister. That ministerial post could easily be abolished and the department combined with another. The communications ministry could easily be abolished and combined with the Post Office. The three ministers involved in Treasury Board, finance and revenue could easily be cut down to two. The Department of Justice and the Department of the Solicitor General could be joined into one. There are many other examples of too many ministers. When one looks at this bill there are only two possibilities: they are either

doing this to give themselves more high-paying jobs or they just do not have people with sufficient talent to handle the posts. Probably it is a little of each. It appears that there is nobody with sufficient ability to carry the responsibility, so it must be spread over the entire Liberal side of the House.

I would find it much easier to support this bill if government reorganization were in the direction I am suggesting. That could be much more easily justified to the Canadian people, in view of the massive unemployment and the need to keep government expenditures down in order to reduce taxation. This government has shown a greater and greater desire to turn responsibility over to Crown corporations, thereby decreasing even more the amount of responsibility by individual ministers. That, again, speaks for decreasing rather than increasing the number of ministers.

I also see part IV of this bill as a further effort to downgrade Parliament in law and in reality. The reason for this statement is that ministries of state may be estabished by the Governor in Council, by proclamation, without reference to Parliament. What the Prime Minister is saying, in effect, is that he does not feel Parliament has anything useful to contribute in deciding whether a new ministry should be established, and by this bill he is giving himself the authority to bypass Parliament completely and virtually make the decision on his own. This, along with the rule changes, along with the roster system which allows ministers to be absent from the House half the time, is very telling evidence that the Prime Minister is waging a cold and sinister war against the institution of Parliament.

• (8:50 p.m.)

A year or two ago the government made political capital by suggesting that they would cut down on civil service staff and on their expenditure, yet since that time the bureaucracy has been spreading at an ever-accelerating rate. In the past year the government has also attempted to make political capital from the war on inflation. Nevertheless this bill, which clearly involves a continuing enlargement of the bureaucracy, will vastly increase the inflationary process of this country. As many hon. members have said, part IV of this bill enables between 110 and 130 members on the government side to increase their pay and their status in Parliament. I want you to know, Mr. Chairman, that I object to this surreptitious and underhanded method which hon. members have used for raising their own pay by way of the back door, so to speak.

Mr. McGrath: Shame!

Mr. Yewchuk: If they are interested in that, they should be prepared to say so and face the consequences. Nevertheless, the fact that Liberal members will be getting an indirect pay raise is not our only great worry. Another great worry of mine stems from the fact that if they are given these appointments and these titles, they may feel in their minds that they must justify their existence and they are likely to do this by dreaming up more ways of spending huge amounts of the taxpayer's dollars. I do not need to tell you, Mr. Chairman, that this is the last thing Canada needs at this time. Furthermore, it is quite likely that each one will build up his own oversized, bureaucratic pyramid on top of which he can sit. That, again, will mean greater and greater expenditure of public funds. In view of these facts, I think the only logical solution regarding the difficulties connected with this bill is the withdrawal of parts IV and V, after which we may find it a little easier to support the measure.

Mr. McGrath: Mr. Chairman—

An hon. Member: This is a filibuster.

Mr. McGrath: Mr. Chairman, since I was not given an opportunity earlier to finish my remarks, I should like to finish them now.

Mr. Boulanger: The hon. member was given that opportunity.

An hon. Member: He was offered three minutes.

Mr. Hees: Now he will probably take 20.

Mr. McGrath: Mr. Chairman, I asked the government House leader, who is now conferring with the President of the Treasury Board, what the situation will be when five new ministers have been added to the ministry. New parliamentary secretaries are to be appointed. In view of the already excessive number of committees that are meeting at present, I should like to ask, who is to look after the House of Commons?

Some hon. Members: Hear, hear!

Mr. Boulanger: Hon. members will.

Mr. McGrath: I think it would be worth while, for the edification of the assistant government whip who makes such brilliant interventions, to place on record the fact that while the House has been sitting in committee of the whole to consider an important bill affecting the entire organization of the government of Canada, 12 standing committees of the House have been scheduled to meet. That is a complete contradiction, Mr. Chairman: when the House is sitting in committee of the whole, how can other committees of the House sit at the same time?

Mr. Boulanger: On a point of order, Mr. Chairman, there are not 12 committees sitting tonight. Only the Standing Committee on Agriculture is sitting. That does not mean that more members supporting the hon. member's party will be here tonight. Only one committee is sitting tonight and not 12.

Mr. McGrath: I thank the hon. member for that intervention. I refer him to *Votes and Proceedings* No. 108 for March 31, 1971, which indicates that the following committees are to meet on Thursday, April 1: the Standing Committee on Agriculture, which is scheduled for Thursday, April 1.

An hon. Member: It was to meet this morning.

Mr. McGrath: It is scheduled for Thursday, April 1.

Mr. Francis: For what time of day?

Mr. McGrath: The Standing Committee on Election Expenses is scheduled for Thursday, April 1.

Mr. Francis: At what time of day?

Mr. McGrath: The Standing Committee on Environmental Pollution is scheduled to meet on Thursday, April 1. That is a special committee.

An hon. Member: That was this morning.

Mr. McGrath: The Standing Committee on Finance, Trade and Economic Affairs is to meet on Thursday, April 1.

An hon. Member: At eleven o'clock in the morning.

Mr. McGrath: The Standing Committee on Fisheries and Forestry was to meet on Thursday, April 1, and the Standing Committee on Health, Welfare and Social Affairs was also to meet on Thursday, April 1. The Standing Committee on Indian Affairs and Northern Development was scheduled for Thursday, April 1.

Mr. Francis: On a point of order, Mr. Chairman—

Some hon. Members: Oh, oh!

The Chairman: Order, please. Will hon. members kindly resume their seats so that we may have order. The hon. member for Ottawa West is rising on a point of order.

Mr. Francis: Mr. Chairman, I understand that at this stage of the bill the debate must be relevant to the clause before the committee. I invite the hon. member to explain how his remarks are relevant to the matter before us.

Mr. Hees: That is not a point of order.

An hon. Member: That is a point of debate.

Mr. Francis: How relevant are his remarks to this clause?

The Chairman: Order, please. The hon. member for Ottawa West has raised a point of order. I hesitate to agree with him. I think the hon. member who has the floor has raised points that are relevant to the subject under consideration. His intervention related to the organization of government and how hon. members distribute their time. I think he may be nearing the point where his remarks are not relevant, but I think he is still within the bounds of relevancy.

Mr. Hees: Hear, hear!

Mr. McGrath: Thank you, Mr. Chairman. May I continue? The Standing Committee on Justice and Legal Affairs is scheduled to meet today, Thursday, April 1. The Standing Committee on Miscellaneous Estimates is scheduled for Thursday, April 1.

An hon. Member: The Justice Committee was to meet at eleven o'clock this morning.

Mr. McGrath: The Standing Committee on Public Accounts was scheduled to meet on Thursday, April 1. Then, as if those were not enough, a subcommittee has been scheduled to meet. The subcommittee on Public Accounts was scheduled to meet today, Thursday, April 1. Then we have travelling committees, Mr. Chairman. The travelling, Special Joint Committee on the Constitution of Canada was to meet today in the ballroom of the King Edward Sheraton Hotel, Toronto. The same committee, dealing with the Constitution of Canada, is to meet again tomorrow.

Mr. Bell: One committee is in New Zealand.

Mr. McGrath: As my colleague says, Mr. Chairman, an ad hoc committee of this House at present is visiting New Zealand and is scheduled to visit Australia.

Mr. Baldwin: Right now they are rubbing noses with the Maoris.

Mr. McGrath: What is to become of the House of Commons? We have lost the right to grant supply. Supply is no longer one of the prerogatives of members of Parliament. All the estimates of the House of Commons will be passed by a certain hour on a certain date. Now we have even lost the right to examine the estimates and to examine all the legislation coming before this House. No member of the House, Mr. Chairman, can be in more than one place at the same time. Yet members of Parliament are expected to examine every bill that comes before this House, including this important measure which at this moment is before committee of the whole.

At the same time they are expected, in committee, to examine the estimates of the various departments of government. They are expected to examine the clean air bill in the Standing Committee on Fisheries and Forestry, and the marketing bill which is presently before the Standing Committee on Agriculture. They are expected to consider the Constitution of Canada, which is being dealt with by a special committee of this House. They are expected to do all these things at the same time. I ask you, Sir, what is the role of the House of Commons which is meeting now in an exceptional session of committee of the whole?

An hon. Member: To be a rubber-stamp.

Mr. McGrath: The House is meeting in an extraordinary session in committee of the whole.

An hon. Member: With three ministers present.

Mr. McGrath: With three ministers present. The President of the Treasury Board is here. He has taken responsibility for this legislation. It is in the name of the Prime Minister of Canada, who has not seen fit to attend on a single occasion when this legislation has been debated in committee of the whole.

Mr. Baldwin: Shame!

Mr. McGrath: Although the legislation is in the Prime Minister's name, the Prime Minister has not seen fit to attend. Mr. Chairman, the President of the Treasury Board has had to carry the load by himself.

Mr. Bell: He is the Joe-boy.

Mr. McGrath: He is the Joe-boy of the cabinet. He has been expected to deal with matters concerning energy, mines and resources, fisheries and forestry, the environment, the ecology and pollution. He has had to deal with the Public Service Superannuation Act, and now he has to deal with ministers of state, a whole new area in the organization of the government of Canada. He has to deal with the section of the bill covering parliamentary secretaries.

• (9:00 p.m.)

Mr. Baldwin: All that talk, and we are going to the dogs.

Mr. McGrath: As a consequence of the attitude of this government, the House of Commons is going to the dogs. That is what bothers and concerns me. Day after day we are examining this most important omnibus bill which concerns seven major statutes. Any one of them would require from one to three days' debate. All this time the government and, more especially, the supporters of the government, sit passively as though they were members of the presidium of the Soviet Union which is only there to rubber stamp legislation.

Are we to assume that this legislation received the debate in the caucus of the Liberal party that we are now trying to give it? That is the only way we can reconcile the attitude of members opposite who sit passively and make no contribution to this debate. Members opposite accuse us of mounting a filibuster.

Mr. Francis: This is your second speech tonight.

Mr. McGrath: If giving legislation as important as this the time and attention it deserves is a filibuster, all I can say to those members opposite who make that accusation is that they have a very poor attitude toward the Parliamentary process.

Mr. Baldwin: We need more filibusters.

Mr. McGrath: As my colleague has just said, what this House needs is more filibusters.

Mr. Drury: We have a good one now.

Mr. McGrath: If that is what members opposite call a filibuster, I say what this House needs is more filibusters.

Some hon. Members: Hear, hear!

Mr. McGrath: Before passing this very important part of the bill, which will allow the government to set up five new ministries, something akin to new departments, by proclamation without the due Parliamentary process, I hope that the relatively few who have some backbone will express their reservations and grave concern about what this government is doing to Parliament.

Mr. Francis: You are breaking my heart.

Mr. McGrath: My heart goes out to the chief government whip because he has to face the people of Ottawa, including the thousands of civil servants in this city, notwithstanding this bill, the superannuation amendment, to which he gave consent, and the amendment of the hon. member of the New Democratic Party which he voted against.

Some hon. Members: Shame!

Mr. Hees: And he is the whip.

Mr. McGrath: He deserves our sympathy because he is going to need it. He is going to need all the sympathy he can get when he faces the public servants who reside in his constituency and who sent him here to represent their best interests.

Mr. Hees: And are they ever disappointed!

Mr. McGrath: I suggest to the government whip that these public servants have been shortchanged.

Mr. Boulanger: He will be back here and you will not.

Mr. Hees: That is not what the people tell us.

Mr. McGrath: The fact that we have this omnibus bill before us is cause for great concern. To bring in this provision allowing the setting up of ministries of state by proclamation is unknown in our constitutional process. We have ministers without portfolio and ministers in charge of departments. We are now going to have ministers of state. Obviously, urban affairs do not warrant the attention of a full department; nor does Information Canada warrant the attention of a full department. We wonder exactly what the government has in mind for the others. We are concerned because it is a bad parliamentary principle to ask legislators to give the government this blanket endorsement, a blank cheque. I will now return to where I began.

Mr. Boulanger: Do you remember where you started?

Mr. McGrath: I come back to the iniquitous practice of the roster system and the practice of this government of having standing committees of this House meet while the House is in session. By design or accident, both provisions have the end result of depriving the members of this House of their fundamental rights.

Mr. Jerome: That is not right.

Mr. McGrath: That is true, and the hon. member knows it is true. He is a student of the rules of Parliament. He is the parliamentary secretary to the government House leader. He knows it is true. If the hon. member quarrels with that argument, he should get to his feet. He knows that these two provisions, coupled with the new rules of the House whereby the House no longer has the right to withhold supply, have virtually killed, destroyed and made a mockery of Parliament. The Parliament of Canada is supposed to be responsible. With this government it is nothing more than a pale imitation of the presidium of the U.S.S.R.

Mr. Boulanger: Mr. Chairman, I am now going to give the other side of the story.

Some hon. Members: Hear, hear!

Mr. McGrath: That is what we have been waiting for.

Mr. Boulanger: In order to practise my English, I will speak in English. I may make a few mistakes, but I have the courage to do it so that my predecessor will understand what I am trying to say. The last remark in the hon. member's speech was a very old one—mockery of Parliament. If hon. members want an example of mockery, they have it in the hon. member who just resumed his seat.

Some hon. Members: Hear, hear!

Mr. Boulanger: Any member who makes a speech and then two minutes later speaks for another 15 minutes, saying things which do not relate to the bill and only trying to prove to the Canadian people that members of this House do not work or do practically nothing, is very close to being dishonest.

Some hon. Members: Hear, hear!

Mr. Boulanger: This is April 1, April Fool's Day. The hon. member is trying to fool us. I will give the true story with regard to the committees which met today. The hon. member stated that 12 committees met today. That is not true. While the House was sitting today, the Standing Committee on Finance, Trade and Economic Affairs met at 3.30 p.m. There were more members in the chamber at that time than there are at present. The other committee which met at 3.30 today was the Standing Committee on Health, Welfare and Social Affairs. The third committee sitting while the House was sitting, at 3.30 on April 1, was the Public Accounts subcommittee, and tonight the only committee which is sitting is the Agriculture Committee. This is the situation in plain English.

• (9:10 p.m.)

Some hon. Members: Hear, hear!

An hon. Member: Where was the Committee on the Constitution?

Mr. Boulanger: You see, Mr. Chairman, they ask us to speak and when we do get up they are afraid.

Mr. Schumacher: I rise on a point of order, Mr. Chairman. In all fairness to the committee, the hon. member who was enumerating the committees which were sitting at 3.30 should call attention to the fact that the Agriculture Committee was sitting and that the subcommittee of the Public Accounts Committee was sitting.

Some hon. Members: Oh, oh!

Mr. Boulanger: I am surprised at the hon. member. I thought my English had improved. Apparently the hon. member does not understand good English either. If hon. members opposite talk about mockery, I must say I have not seen so well-organized a filibuster as we have witnessed in the last two or three days. I have nothing against the opposition. Most of them are good friends of mine. I chum around with them. They are good people. But when they come into the House they seem to be completely changed. I say this because the public has to know the truth.

Some hon. Members: Hear, hear!

Mr. Boulanger: We all work hard here, the opposition included. We work as legislators and do our best to carry out a responsible job. When hon. members get up and make speeches like the one we have just heard, it is not the government they are harming, it is themselves. Speeches like the one we have just heard destroy the image of this Parliament. They ignore the fact that when a member gets to the Hill on Monday morning he is on duty all the week until Friday night. That is truth. That is what you should tell people.

Very often a member has visitors. His electors come to see him with various problems and he has to look after these people. It is suggested we are doing nothing because we do not reply to speeches—well, I will call them speeches—which are made in the House by members of the opposition. Mr. Chairman, if we were to get up and answer every piece of foolishness we hear, we should all be crazy in one week.

Some hon. Members: Hear, hear!

Mr. Boulanger: I think I shall turn back to French, Mr. Chairman, because my temper is getting a little hot.

[*Translation*]

I shall close by telling you very seriously that a member of the House, in committee or in his office—and the public must realize that—is not here to play or fool around, but we are here, the members of the opposition as well as the members of the government, to work honestly for the people.

Therefore, I believe that speeches as I have heard since eight o'clock tonight are a mockery of the parliament!

Mr. Fortin: Mr. Chairman, at the invitation of the previous speaker, the hon. member for Mercier (Mr. Boulanger), I would like to try to speak as honestly as possible.

The committee of the whole is studying clause 14 of bill C-207 entitled "An Act respecting the organization of the Government of Canada and matters related or incidental thereto."

I will therefore limit my comments to this clause.

Mr. Chairman, I would like, for the information of my hon. colleagues, to divide clause 14 into four parts, and analyze them one by one.

Here is what the first part of clause 14 stipulates:

Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters—

Mr. Chairman, that is to say that the first part of clause 14 which I just quoted indicates the government's purpose which is to meet requirements of new policies to

be formulated. In fact, it will be noted, that part of clause 14 refers to requirements

—for formulating and developing new policies—

Mr. Chairman, we agree that new policies must be adopted. No member will deny that. Besides, the problem is not at that level. There is no reference in this first part to the implementation of these policies nor to what they will involve. The only reason given to justify the establishment of these new ministries of state is that there are

—requirements for formulating and developing new and comprehensive policies—

What is a new and comprehensive policy? What does it involve? What problems does it correspond to?

Mr. Chairman, clause 14 contains no reply either in the letter or in the spirit. There is no reference to implementation of new policies. Only formulation and development are mentioned.

In other words, Mr. Chairman, only studies, analyses or inquiries are referred to.

In other words, they will create a ministry headed by a minister who will make studies, analyses, surveys, develop a new policy, but will not administer them and will not take measures to solve a specific problem. They will be content with conducting studies.

Mr. Chairman, this is, in elusive terms, a judicial mess which cannot satisfy hon. members. This is why we are having this debate which we would like to be constructive.

The first part of clause 14 does not justify the establishment of ministers and ministries of state, this is merely eye-wash. The purpose of clause 14, the very principle of the creation of five new ministries and five new ministers of state is the following: "formulating and developing new and comprehensive policies".

Mr. Chairman, it is regrettable that there is no mention of application, that there is no specification of what is meant. Furthermore, none of the government members have given us this information. To oblige them, to speed up the work, we should vote blindly. No, Mr. Chairman. One may accept the principle of the formulation of "new policies" but at the same time one must not be afraid to ask for information. The clause does not specify either in what fields exactly such new policies will be formulated; it only states that policies will be formulated, that such policies will have to be new and comprehensive.

Mr. Chairman, would this mean that, through this clause, the government admits that its present policy is old-fashioned and unintelligible? I would not go so far as to say that, but why speak of a new and comprehensive policy if the government is unable to justify it?

We must also note, Mr. Chairman, that the first part of clause 14 does not specify the number of areas referred to. No general indication is given about the areas which would need a new and comprehensive policy; it is only stated that it will be related to one or several matters.

Indeed, the second part of clause 14 reads as follows:

—the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters—

...warrant the establishment of a "special portion". No reference is made to a normal portion usually found in a normal department, but a "special portion". What does "special portion" mean? What is this new invention of the government?

Mr. Chairman, we do not get an answer to the question either:

—presided over by a Minister—

There is the second part of clause 14. In short, in the second part of clause 14, there is a question of establishing "a special portion...presided over by a Minister". Does it mean that this minister will have a special status, compared to other ministers? It would matter greatly to get an answer to this question.

What will be the relationship between the House and the ministers who will preside over a special portion? And will this agency constitute a crown corporation with mixed participation, or a mandatory crown corporation? Will it be merely a ministry of state? Or rather a sort of make-believe ministry, not responsible to parliament?

Mr. Chairman, I have no preconceived opinion on this question. I am merely asking it. We are expecting an answer.

So we want to establish, to face a special "portion", a ministry presided over by a minister. Why then this "special portion"? What can justify the development of a special policy in Canada? What is this? To put it in a nutshell, in the second part of clause 14 we are told that a "special portion" will be presided over by a minister of state. This is therefore an excuse as the first part of the clause does not say what this new and comprehensive policy consists of. We are not told either what is meant by a "special portion". We cannot guess why a minister should be put in charge of such a service.

This is why we will fiercely oppose the passing of this part of Bill C-207 as long as the government does not specify its intentions in this regard, because as far as we are concerned this is a foolish and unjustified way of spending public funds.

Mr. Chairman, if the government leaves us in the dark because it does not know what is going on, we must conclude that this part of the bill is in fact a pretext to designate ministers of state.

I am still on clause 14 part of which reads as follows:

—a Minister charged with responsibility for formulation and development of such policies—

Not for their implementation, Mr. Chairman! It is not said: "a Minister charged with responsibility for implementation of such policies". No. There is no mention of implementation, no talk of translating words into action. Nothing is said of tackling specific problems in particular areas. The clause merely states that the minister designated to preside over the ministry will be charged with the sole responsibility and function of formulating and developping "new and comprehensive policies".

Why "new and comprehensive policies"? What does this responsibility consist of? Does that mean that the

ministers responsible for those ministries will have absolutely no influence on present policy and administration? Mr. Chairman, that is obviously what this clause would have us believe.

Mention should at least be made in this clause of application. On the contrary, it speaks merely of "formulating and developing policies".

To understand clearly what the responsibilities of the minister will be, let us go back to the first part of clause 14 and find out why a ministry is to be set up. No reason is given. This may enlighten us with regard to the responsibilities of the minister!

I quote once more from the first part of the clause:

—the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters—

This is the purpose to achieve. This is the justification for appointing a minister of state and for creating five new ministries, and thanks to this obscure wording, a minister will be appointed who will have no power to influence policies directly but who will only have the power to study.

Mr. Chairman, to conclude this rapid analysis, I should like now that we consider this part of clause 14, and I quote:

—the Governor in Council may, by proclamation, establish a ministry of State for that purpose.

Because "new and comprehensive policies" have to be drawn up, so says the government, a minister will be appointed at the head of a department, the so-called "special portion". Who is going to create the department? Who is going to appoint the minister?

Mr. Chairman, not parliament, not you, nor I, nor hon. members opposite either, nor my own colleagues. Who then? The people's representatives? No, Mr. Chairman. Clause 14 states clearly and I repeat:

—the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

This means the cabinet will create those departments and appoint those ministers. It will not need the authority of the House. All the Prime Minister needs to do is to convene the cabinet, establish the Ministry of State, give it a name and hand a reward to a new minister without coming before the institution that controls the taxpayers' money, namely Parliament.

Mr. Chairman, this is an infringement of our democratic system, a direct blow to Parliament which is entitled to scrutinize the administration of the country.

And I would use the same language if the Progressive Conservative party or the New Democratic party were in office. A principle is at stake. Will Parliament exercise control on the establishment of those ministries and ministers of state? If not, why should the government ignore Parliament when, last year or the year before, it did consult it to establish other departments? Why, at the present time, should some ministers be appointed without the agreement of the House, whereas others could not be appointed in such conditions? That is already unfair to the 29 other ministers who have submitted to the will of the House. Why a preferred treatment for some, while others will have to abide by the democratic requirements of this institution?

Mr. Chairman, if we get no answer to that question, we are entitled to believe two things. The first is that the government does not care about Parliament, and the second is that the government wishes to hurry to appoint certain persons to positions which will mean for them a title and a higher allowance.

Mr. Chairman, here is then in my opinion an indirect way to vote oneself a $15,000 yearly increase over and above one's allowance.

• (9:30 p.m.)

Mr. Chairman, I am quite puzzled by the fact that the government refuses to consult Parliament.

This is why I am proposing, supported by the member for Roberval (M. Gauthier), the following amendment to clause 14, in view of the explanation and of the analysis I have just made:

That clause 14 of the Act respecting the organization of the government of Canada and matters related or incidental thereto be amended by striking out lines 22 to 24 and substituting therefor:

"Parliament may pass an Act amending the Act respecting the organization of the Government of Canada and having the effect of creating a Ministry of State."

Mr. Chairman, it will be noted that in this amendment I am respecting the government's wish to create more ministries of state. But, as a member of Parliament, I request the government to respect this supreme institution and to submit to Parliament any decision aimed at setting up any ministry of state since Parliament is the sole body in a position to decide on the establishment of a ministry of state.

I find this request reasonable and honest. The member for Mercier (Mr. Boulanger) who, a few moments ago, appealed to our honesty can testify to it. He cannot say now that I am guilty of partisan politics.

Mr. Chairman, I think that this is a serious and positive proposal. It may be read in the bill that:

—the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

I wish it would be written instead: parliament may establish a ministry of state. Why should there be an exceptional situation in the case of some ministries of state, while all other ministers, when their departments were established, had to face parliament?

Mr. Chairman, this is an illogic thing, unacceptable to parliament. This why there are pretty stormy debates now in this House, and I think it is normal, understandable and important.

I therefore table a copy of this amendment.

[*English*]

The Chairman: Order, please. The hon. member for Lotbinière has moved an amendment. I must apologize to the committee that my facility in French is not as good as I would like it to be. I hope I can improve it rapidly. I think this is a very important amendment and that the

matter with which it deals is very important. If I have leave of the committee, and if hon. members wish to make a contribution, I should like to consider the amendment and having considered it perhaps invite argument. I think it is a very important point and I would not want to deal with it rapidly.

Mr. Francis: Could we have the amendment read, Mr. Chairman? Some of us had a little difficulty following it.

[*Translation*]

The Chairman: I would ask the Clerk of the House to read the amendment in French:

(*And the Clerk Assistant (Legal Affairs) having read the following amendment*)

Mr. Fortin moved:

That clause 14 of the Act respecting the organization of the Government of Canada and matters related or incidental thereto, be amended by deleting lines 23 to 25 and substituting therefor the following:

"Parliament may pass an Act amending the Act respecting the organization of the Government of Canada and having the effect of creating a Ministry of State."

[*English*]

Mr. Boulanger: Mr. Chairman, I rise on a point of order. There is a mistake in the way the Clerk Assistant read the amendment in French, because it does not say, ..."gouvernement du Canada", it says, "la loi concernant l'organisation du Canada".

There has been a mistake made by either the hon. member or in the reading. The words "gouvernement du Canada" are not in the amendment.

The Chairman: The hon. member for Mercier raises a point which other hon. members might wish to consider. It is a very important point. I wonder if it is a substantive motion which we might have some difficulty dealing with in committee. However, I wonder whether hon. members would be prepared to assist the Chair in due course, or now. I am in the hands of hon. members.

Mr. Baldwin: Mr. Chairman, we are prepared to accept your suggestion. Your Honour might like to consider the amendment between now and next Monday.

Mr. Francis: Mr. Chairman, we would like to argue that the amendment is not in order. The amendment has the effect of saying that Parliament at some future date could present a law to this House to do something or other. I cannot see how the bill before us could be modified in a hypothetical fashion to attempt in some way to give this Parliament or a future Parliament the power to do something in the future. It would seem to me that this is a hypothetical amendment and it is out of order.

Mr. Baldwin: Mr. Chairman, I think the hon. member for Ottawa West has raised a variation of the argument, but we would like an opportunity to consider it. In some ways he may be quite right, but I would urge that we not have further discussion at this time because so far as we are concerned one hon. member at least is most anxious to participate in the debate. Having in mind the time, we might proceed so that Your Honour and Mr. Speaker will have a chance to consider the amendment and bring down a decision either tomorrow or Monday, as the case may be, depending on the progress the government allows us to make on this bill.

The Chairman: Order. As I have indicated, I am not prepared to deal with the amendment now because I want the advice of hon. members. I have very serious doubts that it is in order. I think it is a substantive matter in the form of a declaration which very well may not be in order. But I think hon. members should have copies of the amendment so they may study it before it is put to the committee. If it is agreed, I think we might deal with it the next time the committee meets, because other hon. members wish to engage in the debate.

• (9:40 p.m.)

Mr. Downey: Mr. Chairman, I think your decision was correct and proper, because an important amendment like this should be considered over the weekend. I felt rather hurt by some of the comments made by the hon. member for Mercier who said that we were obstructing passage of the bill. Maybe I have too sensitive a nature to be here, but I do feel deeply about his comments.

I did not follow progress of the bill too closely, at least until the last day or so, because some of us, dedicated, sincere, interested individuals have been working in the agricultural committee trying to get a few minor changes made but meeting a very difficult situation. It almost seems like a filibuster by government members to drag the committee out and not accept minor changes. In fact, even tonight they turned down a very useful amendment with regard to appeals. People are to be denied the right of appeal.

When I first looked at this bill, the title of which says it is an act respecting the organization of the government, I thought it was a good one because any reorganization of the government would be better than what we have at present. I think it was the right hon. gentleman from Prince Albert who said yesterday that this bill could be sung to the tune of "Roll out the Barrel." There is logic in that because it does look like a pork-barrel manoeuvre on the part of the government.

The Chairman: Order, please. I heard the right hon. gentleman speak yesterday and he dealt substantially with part IV of the bill, which is what we are dealing with now. I would invite the hon. member to deal with that part of the bill which is headed "Ministries and Ministers of State." The statements the right hon. gentleman made were really in reference to that part of the bill. I think that in general we may be straying a little from part IV and I would hope we could return to it.

Mr. Downey: I appreciate what you have said, Mr. Chairman. Probably in my enthusiasm I wanted to cover as much of the bill as I could. Hon. members opposite seem to be taking turns sitting in the chamber. Some of them may not have been able to understand the

full meaning of the bill and I thought I would help them a little and cover some of the ground that had been covered previously. I apologize if I seem to have wandered to some extent. It seemed to me that the hon. member for Mercier also wandered a little in his remarks.

It is an old trick for a government, when it runs into a messy sort of situation such as exists today, to try to diffuse responsibility as much as possible. Under the term of this bill some 110 members may hold positions of one kind or another. That is a tremendous diffusion of responsibility. It is very useful to be able to say, "That isn't quite in my department. See the chap in the other office about it," or to say, "That fellow is out of town." I imagine if you had 110 people either serving in the cabinet or as parliamentary secretaries, at least 30 or 40 of them would be out of town at any one time. This would make it difficult to pin down where responsibility lay.

I have been told of a situation in one department in Ottawa where there are people who make their living simply by moving the position of papers in files. Requests and documents build up over the years. The person responsible takes the ones from the bottom of the pile and places them on top. It is just like shuffling a deck of cards. For some people it may mean that their requests, scheduled to be dealt with in six months' time, can be handled in a matter of weeks.

I believe it was the hon. member for St. John's East who commented on Information Canada. It is a new department and provides a parallel with the proposed ministries of state. Some weeks ago a document came into my office from Information Canada enumerating all that Information Canada had done. I do not have it with me but it said something to the effect: We had four letters on this subject and three letters on that subject. It listed about 28 or 30 letters and I understood that was the total number of requests for information it had received. Probably Information Canada was busy answering those letters. I presume it also produces the glossy reprints of minister's speeches, sends them across the country and sees that they reach Members of Parliament. But the sum total of work enumerated did not amount to any more correspondence than would go through a Member of Parliament's office in the course of half a day. Most of us thought that Information Canada would receive a flood of mail.

The subject of committee meetings has been mentioned in this debate. I wish to give an example of one committee meeting. A week or two ago I walked into a meeting of the Miscellaneous Estimates Committee. There were three or four members present, sitting, dozing, and listening to evidence. They were passing millions of dollars worth of estimates and were actually sitting around dozing as if they did not have any responsibility. I only wish the people who voted for them could have seen what was happening.

• (9:50 p.m.)

The Chairman: Order, please. With respect, I again invite the hon. member to confine his remarks to the general ambit of part IV, ministries of state for specific purposes. When the hon. member deals at length with committees, and so on, he may be outside of the bounds of relevancy.

Mr. Downey: Thank you, Mr. Chairman. I made an error in the notes that I had written for myself tonight.

An hon. Member: Several.

Mr. Downey: I thought this said "Secretary of State" instead of "ministers" and I thought if we have any more departments run the way this chap runs his, we are really going to be in trouble.

Some hon. Members: Oh, oh!

Mr. Downey: If you will permit me, Mr. Chairman, I shall tell a little story which illustrates quite graphically what is going on.

An hon. Member: Spare us.

Mr. Downey: This is something I heard out in the cow country and it may be very pertinent to the situation here. A chap who was sick went to doctors all over the place and they could not find what was wrong with him.

An hon. Member: He was probably a Stanfield Tory.

Mr. Downey: He travelled all over the world, and it was not until he met up with a Chinese herbalist that he got a diagnosis. The herbalist looked at him and said, "I know what is wrong with you. What you need is an ounce of dried human brains." This was an unusual prescription so the fellow asked, Where will I find this?" The herbalist said, "I have a whole office full of them here. I have cowboys' brains at $10 an ounce, doctors' brains at $250 an ounce, and I have Liberals' brains at $500 an ounce". The patient wanted to know if Liberals were that much smarter than cowboys, or why the difference in price. He was told "No, it is not that way at all. We can get cowboys brains anywhere, but you wouldn't believe how many Liberals we have to knock on the head to find an ounce of brains."

Some hon. Members: Hear, hear!

Mr. Bell: Explain.

Mr. Downey: I apologize to members on the other side. I do not mean to offend anyone, because I know that basically they must feel the way they do about a lot of things. However, they are subject to the type of leadership they have and I guess we can't do anything about that.

I should mention something about the democratic process and relate this to committees. I realize that when too many people become involved it is difficult for the democratic process to work. If this bill were to go through we would have the situation where too many people would be involved. I cannot see that it could perform any useful function. As the hon. member for Athabasca stated, there should be a consolidation of departments rather than this diffusion of departments and the resultant diffusion of responsibility. This can be exemplified by the department

of regional incentives which I believe is a new department within the last few years.

An hon. Member: You are still confused.

Mr. Downey: We have people who go around and pick out industries in various provinces and give them grants. I do not know how well equipped they are for the job, because there has been some question about their business experience. I would hate to hint at this, Mr. Chairman, but it seems that maybe some of the funds dispensed this way may find their way back in campaign funds or something like that. It is hard to say. I would not want to say that is the way it is, but it could be.

There seems to be a lot of enthusiasm for this debate and I am surprised that there are not more government members rising to speak. This is the way it is in the agriculture committee. A lot of complaining is done, but we do not find the degree of participation that there should be from the government. I sometimes feel that they do not even listen, that we are just being ignored. The other night we were discussing the wording of a clause to promote a viable agricultural industry—

The Chairman: Order, please.

Progress reported.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, may I ask the government House Leader what his intentions are for tomorrow?

Mr. MacEachen: Mr. Speaker, tomorrow we propose to continue with the bill presently under consideration in committee of the whole. If that should pass, we would call a number of other items: Bill C-3, an act respecting investment companies; Bill S-5, respecting weights and measures; Bill S-11, respecting weather modification activities, and Bill S-13 respecting the Northwest Atlantic Fisheries Convention Act.

PROCEEDINGS ON ADJOURNMENT MOTION

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

EXTERNAL AFFAIRS—ISRAELI-ARAB CONFLICT—SUGGESTED REPRESENTATIONS TO ISRAEL RESPECTING PEACE NEGOTIATIONS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, when I asked this question on March 4 I was much concerned lest the favourable developments in the Middle East situation should not be taken advantage of by all those concerned with stabilizing the fragile peace in that crucial area. One very difficult aspect of the diplomacy or non-diplomacy respecting the area has been the complete refusal of the Arab states to recognize the existence of the state of Israel. It was because a forward move in this direction had been indicated by the statement of President Sadat at the U.A.R. that some dimunition in the tensions surrounding the Middle East confrontations developed. It was, and is, my view that friends of peace and friends of Israel should allow no opportunity to pass to nurture and nourish any possible hope of or portent for a less hostile posture in this part of the world which has for so long been a tinder-box.

• (10:00 p.m.)

I have long felt that the grim prospects of major warfare stemming from explosions in the Middle East are very real. Not so long ago President Nixon asserted that there was probably greater danger of great power involvement and conflict stemming from the Middle East crisis than from the Viet Nam war, awful and tragic though that conflagration be. I recently read an article by Max Lerner, the distinguished scholar and columnist, which began by saying:

> Just as the shadow of Southeast Asia hung over the 1960s, that of the Middle East is likely to hang over the 1970s. The problem of the Nixon administration is to make the Soviet Union and the American public—both of them—understand how dark this shadow is.

We have all rejoiced in the cease-fire and I think much credit is due to the efforts of United States Secretary of State Rogers. It is encouraging that even after the formal termination of the cease-fire there has been negligible military action across these hostile frontiers. In all of this it seems that the Canadian position has been one of glorious detachment. As the hon. member for Cochrane (Mr. Stewart) said, it is a Pontius Pilate role. But we cannot wash our hands of the matter. As a founding member of the United Nations, Canada was involved in the creation of the state of Israel. We are involved in peacekeeping and supervision roles. We were a member of the Security Council which adopted Resolution 242 after the 1967 war. We are involved. We have contacts with and diplomatic missions in countries on both sides. But have we tried to use our good offices or have we, as is our wont, folded our hands and looked piously in the other direction?

Of late there have been many indications that this country has developed a type of diplomatic laryngitis. We do not protest against French arm sales to South Africa but are content to assume that they will detect our attitude from United Nations votes or resolutions. When I asked the Secretary of State for External Affairs (Mr. Sharp) the other day whether he had protested to the United States about the TAPS oil tanker route, he gave the interesting reply that he had protested in this House and that he understood his protests had been read in Washington.

Can we no longer convey directly this country's views to other nations? Are we now pursuing the art of diplomacy by non-involved, indirect discourse? Surely we still adhere to Resolution 242 which recognizes peacekeeping as an equitable balance of obligations. Surely we still believe that the state of Israel will continue to exist. Can we not work toward a realistic solution of the grave problems facing the peoples of the area and the frightening threat to the peace of the world?

At a meeting of parliamentarians in Cairo a few months ago I said that I believed Israel had the right to exist. That aspect of my remarks was not very popular. I went on to say that it did not have the right to exist within boundaries of its own choosing. Surely within these parameters there is still an opportunity for us to do useful work. Surely we can show more interest, be more helpful and generous and do something to assist in brightening the currently faint lamp of peace in this vital and crucial area.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I thank the hon. member for Hillsborough (Mr. Macquarrie) for giving me the opportunity of saying a word about the Canadian position on this grave Middle East situation. The present stage of efforts to make progress toward a lasting Middle East peace settlement involves both continuing dangers and challenging opportunities. The absence since March 7 of formal and mutual agreements to maintain the cease-fire underlines the persisting risk that hostilities might at some point be renewed unless the momentum of the current peace initiative is maintained and reinforced. But there are encouraging possibilities for such progress toward peace which I hope will be taken up and exploited by the parties.

The government of Canada has followed with close interest the latest sequence of exchanges under the aegis of Ambassador Jarring, the United Nations Secretary General's special representative charged with promoting a peace settlement on the basis of Resolution 242 which, as the hon. member for Hillsborough has reminded us, was drafted with the help of Canada which was then on the Security Council. Although Canada is not directly involved in these efforts and we are, therefore, not informed of all aspects of the exchanges, certain observations can fairly be made on the basis of development known to us.

I should like first to reiterate the Canadian government's full support of Ambassador Jarring's persistent and untiring efforts to assist the parties toward a settlement based on the Security Council resolution. The House is well aware of the formidable nature of the issues to be resolved. Any expectation of rapid advance toward agreement would be illusory. But some encouragement may be drawn from the Secretary General's report of March 5 on the course of Ambassador Jarring's mission.

In drawing attention to the intensity of recent efforts to move toward a peaceful solution, the Secretary General noted that general agreement had been found on some of the problems to be settled. He also cited with satisfaction the positive reply given by the United Arab Republic on specific questions raised by Ambassador Jarring. As the House is aware, the UAR response included an explicit expression of readiness to enter into a peace agreement with Israel subject, of course, to mutually acceptable terms of such agreement being worked out. At the same time, the Secretary General has appealed to the government of Israel to respond favourably to Ambassador Jarring's initiative. Ambassador Jarring will doubtless seek now to elaborate progressively the terms of a peace settlement. For this he will be dependent upon good will and restraint by the parties in asserting what they see as their respective vital interests.

In the Canadian government's view, the essential basis for a just and lasting peace remains available to the parties in the full implementation of Security Council Resolution 242. The opportunity is theirs, with Ambassador Jarring's help, to resolve within that framework all their outstanding differences. In this respect, the response of the UAR government to the questions posed by Ambassador Jarring is encouraging. We earnestly hope that the ultimate effort will be made along these lines, as a matter of urgency, to convert the present absence of hostilities into an enduring peace.

The Canadian government's concern to see the exchanges under Ambassador Jarring proceed successfully has been emphasized to the parties in these terms in our regular diplomatic contacts.

HEALTH—PARAMEDICAL SERVICES—NEGOTIATIONS OF COST-SHARING AGREEMENT WITH PROVINCES

Mr. Randolph Harding (Kootenay West): Mr. Speaker, on Tuesday I directed the following question to the Minister of National Health and Welfare (Mr. Munro):

Has the government come to any decision or is it in the process of negotiating a cost-sharing agreement with the provinces or with any province with respect to any of the several paramedical services?

The minister gave a negative reply to my question. This same question was raised about five months ago by the hon. member for Vancouver-Kingsway (Mrs. MacInnis) and myself. At the time, the Parliamentary Secretary to the Minister of National Health and Welfare (Mr. Isabelle) indicated in part of his reply that in 1969 several provincial ministers had asked the federal government to include some paramedical services in the national scheme. He said it was up to the government to take a decision in this matter and not up to the Minister of National Health and Welfare.

He also indicated that the minister had informed the provincial health ministers that he was prepared to discuss with the cabinet the inclusion of some services as soon as the provinces and territories had set a date for joining the national plan. He indicated that the minister intends to draw the attention of the other cabinet members to this important matter in due course.

There is no doubt that the government has conveniently forgotten that the Medical Care Act permits the inclusion of paramedical services. This section was added to the act by amendment on December 6, 1966. In the debate on the amendment it was made crystal clear that any province would be able to go ahead with providing additional services provided, of course, that the minister and the Governor in Council agree. This certainly is not the interpretation which the minister and this government currently places on the legislation. There is no need to obtain a consensus from the provinces, and there is no provision which says that all provinces must agree before cost-sharing arrangements can be made with a province.

To prove this point I would like once again to place on the record the following information. The Federated Legislative Council of British Columbia, in its bulletin of September 4, 1970, quotes from the Canadian Chiropractic Association memorandum of August 28, 1970, as follows:

• (10:10 p.m.)

On December 6, 1966, the Medical Care Act was amended to permit inclusion of paramedical services. Details of the debate which followed can be found on pages 10761 to 10766 of the *House of Commons Debates*, December 6, 1966. Two excerpts from that debate follow:

MR. DOUGLAS: I take it this means that the Governor in Council, on the recommendation of the minister, can extend paramedical services in a plan in a particular province, even though other provinces have not asked for a similar extension. In other words, the minister would be free under this amendment to accede to the request of a particular province that wanted to add the services which are provided under this legislation and it would not have to wait until a majority or a specified number of provinces indicated their desire to have these paramedical services included. I hope the minister's interpretation is the same as my own, namely, that any province would be able to go ahead with providing additional services, provided, of course, that the minister and governor in council agree.

MR. MACEACHEN: Mr. Chairman, I think the construction the hon. member for Burnaby-Coquitlam has put on the proposed amendment is correct, namely, that it would be possible for one or any number of provinces to admit any health services. I want to assure the committee that the amendment proposed is not a pious wish.

Here we have the present government House leader, who was Minister of National Health and Welfare at that time, giving a solemn commitment that paramedical services could be instituted by a single province. This certainly is not the interpretation which is currently being placed on the Medical Care Act.

Over the past few months members of this House have received an increasing number of requests from individuals and organizations urging that paramedical services be included as a cost-shared item under the medical care program. Surely, Mr. Speaker, the health of the Canadian people should be one of the prime objectives of any government. In many thousands of cases, paramedical services are the only type of health care which an individual requires, and I feel they should be his or hers by right under the various provincial acts. There is no reason why the government should further delay allowing those provinces which wish to include these services, but can only include them if they are based on a cost-sharing basis with the federal government, to do so.

I understand that most provinces in Canada have already indicated that they intend to institute a medical care program. There should be no further delay by this government and by the Minister of National Health and Welfare in dealing with this matter. I trust that before this session is over the Canadian people will receive the welcome news that paramedical services will be part of the cost-sharing program under our Medical Care Act.

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, to answer in a more elaborate manner the question of the hon. member for Kootenay West (Mr. Harding), i.e. if the government has taken a decision, or if negotiations are presently taking place with some provinces about paramedical services, here are in a few words the facts of the situation.

At the meeting of Ministers of Health in November 1968, this question was studied. Some provinces were then of the opinion that it would be wise not to proceed too quickly with the expansion of benefits, before acquiring some experience on the operation of provincial plans. At that time, the federal Minister of National Health and Welfare (Mr. Munro) promised that the federal government would not apply the provisions of paragraph (3) of section 4 of the Medical Care Act to any supplementary health service, as long as there was not unanimous consent of all the provinces and territories, and as long as the effective date of all plans, in the provinces and territories, was not known.

At the ministers' conference of November 1969, these provinces showed a much more confident attitude, and a formal request was made towards optometry services. As will be remembered, the minister stated that he would discuss the matter with his colleagues, when all the provinces and territories had made known the date of their adhesion to the federal medical care programme.

At the December, 1970, conference, the provinces agreed on the fact that no expansion of services would take place before the results of the review of the financial cost sharing arrangements were known.

I hope that some hon. members will understand that if the government takes the lead in this field, the provinces must also do their share.

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

HOUSE OF COMMONS

Friday, April 2, 1971

The House met at 11 a.m.

ROUTINE PROCEEDINGS

OIL

PROPOSED TAPS TANKER ROUTE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, pursuant to Standing Order 43 I ask leave to move a motion on a matter of major significance and timeliness. It is prompted by the failure of the government to convey to the United States government its views on the TAPS oil tanker route. In order that the interests of the people of Canada may find expression, I move, seconded by the hon. member for Peace River (Mr. Baldwin):

That this House formally oppose the TAPS oil tanker route proposal as an unwarranted and unacceptable threat to the ecological rights and economic interests of Canada;
and this House instructs the Secretary of State for External Affairs to transmit the above resolution to the Secretary of State of the United States of America, and since the protection of ecological heritage is increasingly the concern of the international community, that a copy be also transmitted to the Secretary General of the United Nations.

Mr. Speaker: As the House knows, a motion under Standing Order 43 requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and the motion cannot be put.

ORAL QUESTION PERIOD

LABOUR RELATIONS

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—STATUS OF NEGOTIATIONS

Hon. Robert L. Stanfield (Leader of the Opposition): I wish to ask the Acting Prime Minister whether there is anything he can report to the House briefly by way of progress with regard to the difficulties on the railways and, specifically, whether he can report any favourable developments with regard to the avoidance of a strike by the engineers on Monday?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I was in touch this morning with the Minister of Labour who is personally involved in the negotiations doing his utmost to avoid a strike that would, without any question, do great damage to the economy. He reported to me, and I use his own words: "The negotiations are proceeding slowly but satisfactorily."

Mr. Stanfield: In view of the fact that there has already been a withdrawal of services by engineers in the western part of Canada which is already doing grave damage to the economy, particularly in the west, has the government acted on the suggestion made in the House yesterday that an approach be made to the engineers who have withdrawn their services to return to work in the expectation that the whole problem will be resolved along the optimistic lines reported by the Minister of Labour?

Mr. Sharp: Mr. Speaker, as I recall his intervention in the House recently, the Minister of Labour said he had made such an appeal.

Mr. Stanfield: Mr. Speaker, I am not sure that is the way I remember it, but I would like to ask the Acting Prime Minister whether, in view of the potentially drastic damage that may be done to the economy if a strike does develop on Monday, and particularly if it continues for any length of time, is the government at this point simply counting on the fact that a settlement will take place on Monday, or is the government giving any consideration to keeping the House on hand over the weekend in the event that it may become desirable, in the view of the government, in light of all considerations to consult the House and to present measures to the House with regard to what might become a real tragedy in view of the amount of unemployment that already exists in the country?

Mr. Sharp: Mr. Speaker, I am sure the Leader of the Opposition would agree with me that it is better for negotiations to proceed without their being any threat of government action. Therefore I hope the Leader of the Opposition was not serious in suggesting that the work of the Minister of Labour and of the other conciliators should be subject to being interrupted or put at a disadvantage by the threat of government action.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I am sure that all of us wish the Minister of Labour well in his endeavours to bring about a voluntary settlement between the railways and the Brotherhood of Locomotive Engineers. In view of the statement that has just been made by the Acting Prime Minister, and in view of the great concern across the country, may I ask the Acting Prime Minister whether he will undertake to make a statement in the House if there are any favourable developments today?

Mr. Sharp: Nothing would give me greater pleasure, Mr. Speaker.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to direct a supplementary question to the Acting Prime Minister.

As to the 56,000 non-operating employees, the newspapers report that the improved job security program provides better additional benefits against unemployment.

Could the Acting Prime Minister tell us if this part of the regulations means that in case of unemployment, there will be different benefits than those provided by the Unemployment Insurance Act?

[*English*]

Mr. Sharp: Mr. Speaker, I shall have to take that as notice. I do not get the import of the hon. member's question.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—EFFECT ON PROVINCIAL ECONOMIES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would simply ask the Acting Prime Minister if he would assure the House that the grave concern of the governments of various provinces, including the province of Prince Edward Island, is fully appreciated in light of the tragedy which would befall the economies of several provinces, especially Prince Edward Island, if the present embargo on perishable goods should continue for any length of time because of the labour situation?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I can assure the hon. gentleman that the government is very much aware of this situation. This is the reason why it is bending every effort to get a voluntary settlement and why the Minister of Labour is absent from the House today, engaged in these very delicate negotiations.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—GOVERNMENT ACTION—REPLY TO SASKATCHEWAN LEGISLATURE RESOLUTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, as these railway engineers have not had a contract for a year and have attempted to bring about negotiations but without success, would the minister say when the government is going to end its dilly-dallying on this problem which is striking a serious economic blow not only in general but particularly in western Canada where everything is tied up and the farmers are in serious condition? I would ask the minister as well what reply the government gave to the legislature of Saskatchewan which passed a resolution asking for action rather than uncertainty and optimistic promises?

Hon. Mitchell Sharp (Acting Prime Minister): I hope, Mr. Speaker, that this does not mean that the right hon. gentleman has lost his faith in collective bargaining and in voluntary settlement.

[Mr. Douglas.]

Mr. Diefenbaker: Oh, no! Lest there be any mistake, the people of western Canada have lost all faith in this government and I join with them.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—ACTION TO KEEP SHIPS WAITING FOR GRAIN IN VANCOUVER HARBOUR FROM LEAVING

Mr. S. J. Korchinski (Mackenzie): May I ask the Acting Prime Minister a supplementary question, Mr. Speaker? Has any attempt been made to retain the ships that are in the harbour at Vancouver since there will be no grain on hand immediately and even after settlement of the strike these ships will have to wait for grain to arrive in order to load? Is the government taking any action to keep these ships there?

Hon. Mitchell Sharp (Acting Prime Minister): I shall refer this question to the minister in charge of the Wheat Board who is directly responsible, Mr. Speaker. I am sure the hon. gentleman would hope with me that there will be a very quick settlement of this dispute so there will be no unnecessary delays.

IMPENDING STRIKE BY LOCOMOTIVE ENGINEERS—PAYMENT OF SHIP DEMURRAGE CHARGES BY GOVERNMENT

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I wonder whether the Acting Prime Minister can assure the House that demurrage charges by ships waiting because of the strike will not be foisted on the farmers but will be assumed by the federal government?

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THE CANADIAN ECONOMY

IMPENDING TAKEOVER OF MEMORIAL GARDENS CEMETERY ASSOCIATION BY TEXAS FIRM

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. Some weeks ago I asked the minister if he would look into reports about an American corporation buying a number of Canadian cemeteries. Has he made this investigation and can he tell us the nature of the corporation making these purchases?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): The matter is still under lively investigation in the department, Mr. Speaker.

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EXTERNAL AFFAIRS

EAST PAKISTAN—INFORMATION ON ALLEGED BLOODSHED AND GENOCIDE

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. There are widespread reports in respectable and responsible journals concerning the alleged blood-

shed in East Pakistan which is said to have reached the proportions of genocide against intellectuals and young people. Can the minister advise if through our own sources the government has any information on these events, and can he also bring us up to date on the condition and safety of such Canadians as are in East Pakistan?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, unfortunately we have no direct communications which would enable us to decide the extent of the bloodshed going on in East Pakistan. We are very deeply concerned. I should add, however, that bitter experience should have taught us the dangers of attempting to intervene in civil conflicts of this kind. We have had some examples where our intervention would not have helped those who were supposed to be the victims. I can add, however, that the government is ready to help in a constructive way in humanitarian effort that may be launched.

EAST PAKISTAN—REPORTED EFFORTS TO END FIGHTING—CANADIAN PARTICIPATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the reports from New Delhi to the effect that the governments of the United States, the Soviet Union and India are all endeavouring to bring an end to the fighting in East Pakistan and that there are parallel discussions to this end going on in the United Nations, is the Canadian government taking any part in these discussions or is it on its own initiative making any attempt to resolve the conflict that is going on in Pakistan?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, my understanding of the situation is that the government of India has made representations to the Secretary General of the United Nations in a note in which I understand charges of genocide are made. The Secretary General has not yet decided whether he will take action or what action he will take. I have also seen the reports referred to by the hon. gentleman about action by the governments of the United States, the Soviet Union and India. It is our understanding that no substantive discussion is currently taking place between the United States and either country on the situation in East Pakistan.

[*Translation*]

EAST PAKISTAN CONFLICT—CANADIAN REPRESENTATIONS TO PAKISTAN GOVERNMENT

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I would like to direct a question to the Acting Prime Minister.

What is Canada doing about the conflict in Pakistan and what representations has it made to the government of Pakistan?

[*English*]

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, our problem is that we do not yet have facts. I believe it is important, before we take any action, for us to know what is going on and not to have to depend, as sometimes happens, upon newspaper reports which may or may not have substance.

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NATIONAL REVENUE

REPORTED PAWNING OR SCALPING OF T-4 SLIPS

Mr. Stan Schumacher (Palliser): Mr. Speaker, my question is for the Minister of National Revenue who I believe is supposed to be present in the House today. In his absence perhaps I could direct it to the Acting Prime Minister or to the acting minister. In view of widespread reports that pawning or scalping of T-4 slips is taking place, to the ultimate detriment of many taxpayers, can the minister say if any steps are being taken to prevent this practice?

Mr. Baldwin: Come on, where is the minister? There is no reply. This is a pretty sick spectacle.

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COMBINES

RAIDING OF OFFICES OF NEW BRUNSWICK NEWSPAPERS BY POLICE AND OFFICIALS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs; I believe he has notice. In view of reports of harsh and unprecedented raids on daily newspapers in New Brunswick and on the Irving interests in general by officers of his department, may I ask what part his department played in this matter?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, of course I do not accept the hypothesis on which the question is based. The procedures followed were quite normal and standard.

Some hon. Members: Oh, oh!

Mr. Basford: They arose out of an inquiry under the Combines Investigation Act which was made public some time ago by the parties being investigated. Of course, we do not make such inquiries public. The actual proceedings taken yesterday were taken in the name of the Attorney General of Canada on the advice of the law officers of the Crown.

RAIDING OF OFFICES OF NEW BRUNSWICK NEWSPAPERS BY POLICE AND OFFICIALS—POWER OF SEARCH USED

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. May I ask the minister whether it is not a fact, in view of his mentioning the Minister of Justice, that the method adopted by the government was the use of a writ of assistance, the most arbitrary form of search that is open to the authorities? Is that true or is it not?

Inquiries of the Ministry

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I believe it is untrue, but the proceedings were instituted not by me but by the Department of Justice and questions as to detail should be addressed to my colleague, the Minister of Justice.

Mr. Diefenbaker: If the minister does not know and says it may be untrue, is he able to tell us that writs of assistance were not used?

Mr. Basford: Mr. Speaker, it is my understanding that what was applied for and granted by the courts in New Brunswick was a search warrant under the Criminal Code.

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[*Translation*]

BANKRUPTCY

PRESENTATION OF AMENDING BILL—PROTESTS BY QUEBEC MINISTER OF JUSTICE

Mr. Speaker: Does the hon. member for Shefford want to ask a supplementary question?

Mr. Gilbert Rondeau (Shefford): Yes, Mr. Speaker. I would like to put a question to the Minister of Consumer and Corporate Affairs.

Has he received any representations from the Minister of Justice of Quebec with respect to the restrictions which that government publicly announced yesterday afternoon by tabling in the National Assembly a bill amending the Bankruptcy Act? Is he aware of these representations and will he take them into account before introducing his bankruptcy bill in this House?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I have not received representations. I have had notice from press reports that a report was tabled in the Quebec National Assembly. We will take copies of the report and study them, and in so far as they may be useful representations we will of course take them into account.

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AIR CANADA

STATUS OF ORDERS FOR LOCKHEED TRI-STAR AIRCRAFT IN VIEW OF ROLLS-ROYCE FINANCIAL DIFFICULTIES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. Can he give the House any information with regard to the status of the Air Canada contract for Lockheed Tri-Star aircraft in view of recent developments that I believe have taken place with regard to the negotiations between Lockheed and Rolls-Royce? Also, would the minister say what beneficial effect, if any, these contracts will have on Canada's air industry?

[Mr. Diefenbaker.]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): No, Mr. Speaker. My colleague, the Minister of Transport, is following this matter very closely. I will bring this question to his attention for reply when he is next in the House.

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THE CANADIAN ECONOMY

FOREIGN OWNERSHIP—TIME OF DISCUSSIONS WITH UNITED STATES ON CANADIAN POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct a question to the Acting Prime Minister arising out of the policy review report issued by the United States Secretary of State, William Rogers, in which he says that the United States government will want to consult with the Canadian government regarding any policies concerning foreign ownership. In view of the statement of the minister the other day in answer to a question that such consultations will take place, at what point in the process of developing legislation with respect to foreign ownership will such discussions take place? Will it be after the report to be submitted to the cabinet by the Minister of National Revenue, after a white paper, or after legislation has been prepared for presentation to the House?

Mr. Baldwin: Or after the election?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, this is one of the more hypothetical questions that can be asked. Since the report has not been presented by the Minister of National Revenue, I do not know what will be in it. Until we have some indication of what recommendations may be made by him and what the general line of decision by the government will be, I really cannot find any basis on which to give an answer.

Mr. Douglas: Possibly I could be more specific. Can the Acting Prime Minister assure the House that there will be no consultations until such time as a firm policy has been reached and the government's policy has been placed before the members of this House?

Mr. Sharp: Mr. Speaker, I am surprised at the hon. member's question because I am often accused of not having consulted with the United States government about intended changes in their policies until it is too late.

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EXTERNAL AFFAIRS

DISCUSSIONS WITH UNITED STATES CONCERNING GEORGES BANK, STRAIT OF JUAN DE FUCA AND BOUNDARY BETWEEN CANADA AND ALASKA

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the suggestion by the Secretary of State for

External Affairs in his policy review to the effect that discussions are going on between the Canadian and United States governments regarding Georges Bank, the Strait of Juan de Fuca and the boundary between Canada and Alaska, are such discussions now going on, by whom are they being conducted and when may we expect a report from the Secretary of State for External Affairs regarding these discussions?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we are, of course, negotiating with the United States government. I have announced this on a number of occasions in answer to questions in the House. On negotiations of this kind I would expect that I would report the conclusions when they are reached. It is necessary to reach some conclusions on these border problems and I would not expect to report to the House until the negotiations are completed.

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INDUSTRY

STEPS TO INCREASE PRODUCTIVITY IN MANUFACTURING

Hon. George Hees (Prince Edward-Hastings): My question is for the Minister of Industry, Trade and Commerce. As the decrease in exports of manufactured products this year is in part due to the sharp drop in productivity in the manufacturing industry, will the minister take the first opportunity on motions to advise the House what steps he and his department intend to take to bring the yearly increase in productivity at least up to the average of the past 10 years?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I regret the absence of the hon. member in the committee on Tuesday where I fully reported on this subject. The observation he has made on a number of occasions that in 1970 we had a decline of 4 per cent in export of manufactured products compared with 1969 is of course true. In January and February, however, we have reached 39 per cent for manufactured products in our export picture, which is only one per cent less than in 1969.

Mr. Hees: Has the minister looked at the DBS figures recently? If so, he will have seen that exports of fully manufactured products are down this year compared with a year ago.

Mr. Speaker: Order, please.

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NATIONAL DEFENCE

ARMED FORCES OATH OF ALLEGIANCE

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Minister of National Defence. It has to do with the oath of allegiance that is now being used for those joining the armed forces. Has there been any change in the wording of that oath of allegiance recently?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, there has not been any change since I have been Minister of National Defence. I will have to inquire to see whether there was any change at an earlier date.

Mr. Diefenbaker: I ask the minister this because there has been some suggestion that the oath of allegiance is going to be changed to remove the Queen, to whom allegiance is sworn as the sovereign of our country. The minister emphasized on two occasions the other day an oath of allegiance to Canada. He emphasized the words "to Canada". I wish he would look into this and report at the beginning of the week on the wording that is now being used.

Mr. Macdonald (Rosedale): Mr. Speaker, I remind the right hon. member that the Queen is the Queen of Canada, and in that sense it seems to me that my remarks are perfectly consistent with the oath as it now stands.

Mr. Diefenbaker: Then the minister is having no part in what is taking place, apparently, in the citizenship department which has given notice that it will remove the Queen's name from the oath of loyalty?

Mr. Speaker: Order.

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FISHERIES

CAUSE OF FISH KILL NEAR EUROCAN PLANT, KITIMAT

Mr. Thomas S. Barnett (Comox-Alberni): I should like to ask the Minister of Fisheries and Forestry whether his department is investigating a major fish kill in the vicinity of the Eurocan pulp and paper plant at Kitimat. If so, can he report whether any progress has been made in determining the cause of this kill which apparently, according to Canadian Press reports, has led to dead fish being piled two feet deep on over a half a mile of beach?

Hon. Jack Davis (Minister of Fisheries and Forestry): This particular fish kill is under investigation. No definite connection has been established between the operations of the industries in the area and the kill in question.

Mr. Barnett: Can the minister give us any indication of the cause of this major disaster to fish life in the area?

Mr. Davis: It is not a major disaster. The object of the exercise is to determine the cause of this kill. There have been similar kills before big industry moved into the area.

Inquiries of the Ministry

LABOUR CONDITIONS

UNEMPLOYMENT IN FOUR EASTERN COUNTIES OF NOVA SCOTIA—MORATORIUM ON PHASING DOWN OF FEDERAL SERVICES

Mr. Robert Muir (Cape Breton-The Sydneys): My question is for the Acting Prime Minister. It is prompted by a telegram I have received from the Cape Breton Metropolitan Alliance for Development at Sydney. In view of the fact surveys indicate that the unemployment rate in the four eastern counties of Nova Scotia has reached 25 per cent, can the Acting Prime Minister give an assurance that an immediate moratorium will be placed on any phasing down of federal services in this area which would further aggravate the burgeoning unemployment there?

Hon. Mitchell Sharp (Acting Prime Minister): Without accepting the accuracy of the figures put forward by the hon. member, I will certainly take his suggestion into consideration.

Mr. Muir: I wonder whether the Acting Prime Minister would tell the distinguished clergy, businessmen and labour unions of the Alliance what he has just said? My supplementary is to the Solicitor General. I would ask him through you, Mr. Speaker, whether he would use his good offices to prevent the closing down of the RCMP detachment at North Sydney. He might also ask the Minister of Labour to try to prevent the closing of the unemployment insurance office at Sydney.

Mr. Speaker: These are, of course, representations, and the hon. member has to assume that his suggestions to the ministers will be considered.

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CONSUMER AFFAIRS

INCREASED USE OF CREDIT—PROTECTION RESPECTING REPORTING AND USE OF DATA BANKS—AMENDMENTS TO SMALL LOANS ACT

Mr. James A. McGrath (St. John's East): I should like to address a question to the Minister of Consumer and Corporate Affairs. In view of the substantial increase in the use of consumer credit in Canada, making Canadians the second largest users of consumer credit in the world, does the minister plan to bring in legislation this session designed to protect the rights of Canadians in connection with credit reporting and the use of data banks? Does he intend at the same time to bring in appropriate amendments to the Small Loans Act?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Laws relating to credit reporting are being dealt with generally by provincial legislatures. A number have already acted on this question or are in the process of acting. As the hon. member knows, we have amended the Bills of Exchange Act to help correct some of the abuses in this area, and in December we tabled the report on bankruptcy and insolvency, which made a number of recommendations to deal with the problems of a credit-oriented society. I am currently working on possible revisions of the Interest Act and the Small Loans Act and I hope to introduce those amendments at some point.

Mr. McGrath: Within the jurisdiction of the federal government, does the minister propose to bring in a measure to license data banks in Canada so as to protect Canadians from the use of misleading information against them?

Mr. Basford: No, I do not, Mr. Speaker.

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NATIONAL DEFENCE

OPERATIONAL CAPABILITY OF CF-101 AIRCRAFT IN LIGHT OF REPORTED GROUNDING

Mr. J. M. Forrestall (Darthmouth-Halifax East): My question is for the Minister of National Defence. In light of the seriousness of the situation, would the minister bring us up to date on the technical operating status of the CF-101 Voodoo fighters and perhaps give some indication whether the situation has affected or is likely to affect our position within NORAD?

Hon. Donald C. Macdonald (Minister of National Defence): I should like to thank the hon. member for having given me notice of this question. I should emphasize that several press reports indicating that all the CF-101 aircraft have been grounded are not correct. Canada is maintaining its status on an alert basis to respond to any requirement of NORAD. It is a fact, however, that for the time being training flights of additional 101 aircraft have been cancelled because of a technical problem with regard to the engines which is now under intense study by both the aircraft company and the department. It is hoped that at an early date the problem will be resolved so that the full complement of aircraft will be available for use. I emphasize again that all the requirements of the NORAD alert are being met.

Mr. Forrestall: Do I gather correctly from the minister's statement that the CF-101 is operational and is flying?

Mr. Macdonald (Rosedale): Yes, Mr. Speaker, some of them are operational and flying, those that are necessary to meet our obligations with regard to the alert. It is also true we have had difficulties, as the hon. member knows, particularly arising from the crash at Comox several weeks ago, with some of the CF-101s which have older engines. These have now been grounded so that technical changes can be made.

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HEALTH

ACTION TO CURTAIL CIGARETTE ADVERTISING

Mr. Barry Mather (Surrey-White Rock): I have a question for the Minister of Consumer and Corporate Affairs.

Bearing in mind the fact that at this time the annual cancer fund campaign is under way across Canada and also that cancer authorities have urged the cessation of cigarette advertising, would the minister check with his colleague the Minister of National Health and Welfare to determine when and what action might be taken to curtail the promotion of this unsafe product?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I have not had a cigarette since 7 a.m. on August 10 last.

Some hon. Members: Hear, hear!

Mr. Basford: My colleague, the Minister of National Health and Welfare, answered this question the other day. We have, of course, been consulting together on this question for quite some time.

* * *

[*Translation*]

FINANCE

"HOW YOUR TAX DOLLAR IS SPENT"—POSSIBILITY OF OBTAINING CREDIT FROM BANK OF CANADA

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

In the brochure "How Your Tax Dollar Is Spent", page 23, the Minister of Finance is said to expect to borrow $1.9 billion. In view of the fact that the public debt is in excess of $38 billion, could the minister say whether serious consideration is being given to the possibility of obtaining funds from the Bank of Canada?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): That question was studied many, many years ago and it was decided that the policy suggested would be highly inflationary.

[*Translation*]

[*Later:*]

Mr. Fortin: Mr. Speaker, I have a question I wish to direct to the Acting Prime Minister.

In view of his answer to the question I asked a while ago to the effect that using funds provided by the Bank of Canada would cause inflation, would the minister advise whether the government is considering the possibility of preventing provinces from borrowing abroad, also to curb inflation?

* * *

[*English*]

PUBLIC WORKS

REPLY BY MINISTER TO LETTER REGARDING A POST OFFICE

Mr. S. J. Korchinski (Mackenzie): Since no one seems to want to direct a question to the Minister of Public Works I should like to ask him whether he would care to go back to his office and answer a letter I addressed to him two months ago about a post office he promised two years ago?

Some hon. Members: Oh, oh!

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INDIAN AFFAIRS

SUMMER EMPLOYMENT FOR STUDENTS

Mr. Paul Yewchuk (Athabasca): My question is for the Acting Minister of Indian Affairs and Northern Development or the parliamentary secretary. Can we be told whether there is a plan for the employment of Indian students this summer and, if so, what is the nature of that plan?

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): There are programs under way. For example, we plan to employ 300 Indian students directly within the department this summer.

Mr. Yewchuk: I wonder whether the parliamentary secretary could inform the House how Indian students apply for this particular type of work?

An hon. Member: Through their Member of Parliament.

Mr. Buchanan: I believe it is through the Public Service Commission, but I would be happy to check on that matter.

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ROYAL CANADIAN MOUNTED POLICE

COMMUNICATION WITH PARIS POLICE RESPECTING KILLING OF MARIO BACHAND

Mr. Steven E. Paproski (Edmonton Centre): Mr. Speaker, I should like to direct my question to the Solicitor General. Has the RCMP been in contact with the Paris police over the killing of Mario Bachand, a former member of the Company of Young Canadians?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): No, Mr. Speaker.

[*English*]

Mr. Paproski: Did Bachand approach the RCMP before he was assassinated with a view to returning to Canada?

Mr. Speaker: Order. This supplementary is perhaps the kind of question that should be placed on the order paper.

Inquiries of the Ministry

[*Translation*]

NATIONAL DEFENCE

MODIFICATION OF ARMED FORCES OATH OF ALLEGIANCE

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to direct a question to the Minister of National Defence.

Since changes have taken place in the mentality of Canadians in the last few years, is it the minister's intention to introduce a change in the oath of allegiance to enable Canadian soldiers to commit themselves only for and on behalf of the Canadian people?

* * *

[*English*]

STATUS OF WOMEN

"HOW YOUR TAX DOLLAR IS SPENT"—POSSIBILITY OF OBTAINING CREDIT FUNDS FROM BANK OF CANADA

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is for the Acting Prime Minister. Can the Acting Prime Minister say whether or not we can expect the government to designate a minister to take charge of the implementation of the report of the Royal Commission on the Status of Women some time before Easter?

Mr. Speaker: It seems that the matter is now under consideration by the executive. The Chair will recognize the hon. member for St. Hyacinthe-Bagot.

[*Later:*]

Mr. Nystrom: Mr. Speaker, I believe the Acting Prime Minister is sitting on the edge of his chair anxious to answer the question I asked him about the status of women. I wonder if the minister may have the permission of the Chair to answer the question at this time?

Mr. Speaker: If there is agreement, certainly there is no difficulty from the standpoint of the Chair.

Some hon. Members: Agreed.

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the government has been studying very carefully the report on the status of women and the matter has been given a priority rating in general government policy. The government has also been considering whether the assignment of responsibility should be given to a minister, and it would greatly help if the government organization bill were promptly proceeded with in the House so that we could get ahead with this assignment.

Mr. Baldwin: Act responsibly and bring in a special bill.

* * *

[*Translation*]

INDUSTRY

SLATER SHOE COMPANY—MEASURES TO PREVENT CLOSING

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

[Mr. Speaker.]

Does he intend to take any special action to prevent the closing down of the Slater Shoe plant in Montreal, a company which has existed over the past 103 years and which provides jobs for 175 persons?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the government has already taken certain steps to assist the footwear industry as a whole and Slater Shoe in particular. For instance, we have contributed to payment of consultant services for Slater Shoe in order to help increase their productivity. Nevertheless, the company decided not to continue its operations.

[*English*]

SHOES—MEETING WITH MANUFACTURERS

Mr. Max Saltsman (Waterloo): A supplementary question, Mr. Speaker, for the Minister of Industry, Trade and Commerce. A while ago the minister indicated that he would be holding meetings with representatives of the shoe industry. Have those meetings been held, and is the minister in a position to indicate what conclusions were reached at the meetings?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, they have not been held for one reason, in particular. The meetings were supposed to be held after a full investigation into the nature and precise penetration of import of footwear into Canada had been made. Unfortunately the department and DBS have not up to now been able to develop the kind of information needed. Some of the companies have been slow in giving us the proper information. I understand the information is coming forward now and that these meetings should take place within the next few weeks.

* * *

HOUSING

CENTRAL MORTGAGE AND HOUSING PARTICIPATION IN FINANCING OF NEW HOMES UNDER ONTARIO PLAN—METHOD OF PROVIDING FUNDS

Mr. John Gilbert (Broadview): Mr. Speaker, I have a question for the minister in charge of housing. Is Central Mortgage and Housing Corporation participating with the Ontario government in the financing of the 30,000 new homes which the Ontario government intends to build this year? May I also ask him whether CMHC is considering the new approach of the Ontario government whereby 75 per cent of the financing is provided by institutional lenders, 20 per cent by the government and 5 per cent by the purchaser?

Hon. Robert K. Andras (Minister without Portfolio): Yes, Mr. Speaker, of course Central Mortgage and Housing is participating. We have made known our allocations in public housing and in other programs to the Ontario government. Although I have not yet had an opportunity to compare the precise figures announced by the Ontario government the other day with ours, I am sure they will dovetail.

With regard to the second part of the hon. member's question, it would almost take a statement on motions to go into this question which is a complicated issue. Simply put, we are providing a major program of public housing for which we put up 90 per cent of the financing. In the case of section 16, limited dividend housing, we put up 95 per cent of the financing. I am sure the hon. member is aware of how our programs operate in that sense.

PLAN TO PROVIDE HOMES FOR MÉTIS—PARTICIPATION BY PROVINCES

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister without Portfolio in charge of housing. Some time ago it was reported that there was a policy in effect to provide federal and provincial assistance in the housing field for the Métis people. Can the minister say whether any provinces have joined with the federal government in this respect and how the plan is progressing?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we have been very eager to get something going in this more specialized field for the native people, in particular the Métis. On the Prairie provinces last year we were encouraged by the activity of the Métis people themselves in joining in a research program to identify their needs and particular requirements. We are now conducting negotiations, which I think will be successful, with some of the Prairie provinces to move on from research to actual housing on the ground.

Mr. Simpson: A supplementary question, Mr. Speaker. Will the minister look into the particular situation of underprivileged families living adjacent to Indian reservations where the Métis people are not eligible for the housing provided the Indian people under the Indian Affairs branch?

* * *

THE CANADIAN ECONOMY

POSSIBLE INTRODUCTION OF WAGE AND PRICE CONTROLS—REQUEST FOR TABLING OF STUDIES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Minister of Consumer and Corporate Affairs. Some two weeks ago I asked the Minister of Finance, in the absence of the Minister of Consumer and Corporate Affairs, whether the Prices and Incomes Commission had conducted any studies relating to the possible imposition of wage and price controls, either generally or on a selective basis, and what would be the implications of such a policy. The minister said that he would look into the question. I have no doubt that he consulted the Minister of Consumer and Corporate Affairs. Can the minister indicate whether such studies have been completed and, if they have, whether they will be tabled in the House?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, there are no studies in the sense the hon. gentleman refers to them, but both the

Minister of Finance and the government have made it clear that we have considered from time to time a number of various options which are available to the government, as well as the implications of those options.

Mr. Stanfield: Am I to understand that no actual study is presently being conducted concerning the possible implications of such control measures, that it is simply being considered in a general way and that no concrete plan has been developed on a contingency basis?

Mr. Basford: Mr. Speaker, very careful consideration has been given to a number of different proposals and their implications. I think the hon. gentleman is using the word "study" in the sense of a royal commission report or a document that would be tabled. As the Minister of Finance has made clear, the government has carefully considered in detail the implications of a number of proposals. If there is, of course, to be any change in government policy or any legislation introduced based on the various alternatives, this will be announced in the House in due course.

Mr. Stanfield: Mr. Speaker, I find it difficult to get information from the minister this morning, though usually it is very easy. I would ask the minister pointedly whether the government has developed a contingency plan with regard to the imposition of wage and price controls?

Mr. Basford: Mr. Speaker, I think I just answered that. The government has carefully considered a number of different alternatives, a number of different proposals, and a number of different contingencies.

Mr. Speaker: Before the Chair calls orders of the day I will recognize the hon. member for Nanaimo-Cowichan-The Islands for a last supplementary on this subject.

WAGE INCREASE LIMITATION SUGGESTED BY PRICES AND INCOMES COMMISSION CHAIRMAN—GOVERNMENT POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to ask a question of the Minister of Consumer and Corporate Affairs. In view of the reported statement by the chairman of the Prices and Incomes Commission that wage increases should be restricted this year to 4 per cent, may I ask the minister whether this represents government policy and whether he is able to assure the wage and salary earners of this country that the cost of living will not exceed 4 per cent?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Certainly that would be a very desirable objective, Mr. Speaker.

If this is the conclusion of the question period, Mr. Speaker, I wonder if I might have the unanimous consent of the House to revert to motions simply to table a report.

Mr. Speaker: Does the minister have the unanimous consent of the House to revert to motions?

Some hon. Members: Agreed.

Government Organization Act, 1970

ROUTINE PROCEEDINGS

PRICES AND INCOMES COMMISSION

TABLING OF REPORT ON SHEET METAL WAGE SETTLEMENT, LONDON, ONTARIO

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am pleased to table two copies each in the two official languages of a report by the Prices and Incomes Commission entitled "Sheet Metal Wage Settlement, London, Ontario."

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Thursday, April 1, consideration in committee of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

One clause 14—*Establishment of Ministries of State.*

The Chairman: Order, please. When the committee rose yesterday clause 14 of the bill was being considered.

Yesterday the hon. member for Lotbinière moved, with the consent of the Committee, an amendment to clause 14. Hon. members will recall that the Chair took under advisement the procedural acceptability of the amendment. If I may, I would now rule on the matter. Perhaps first I should read the amendment:

That clause 14 of the Act respecting the organization of the Government of Canada and matters related or incidental thereto, be amended by deleting lines 23 to 25 and substituting therefor the following:

"Parliament may pass an Act amending the Act respecting the organization of the Government of Canada and having the effect of creating a Ministry of State."

Last evening I indicated I had some doubt concerning the procedural acceptability of the amendment. I indicated, however, I would like to think about it and would be prepared to hear today any hon. gentlemen who might wish to argue the procedural acceptability of the amendment. I might say that in the intervening time I have confirmed my preliminary thought that the motion is not procedurally acceptable on two points. First, it is declaratory, and as such I do not think comes within the purview of the clause we are presently considering. The second point, which I also think is important, is that as all hon. members know, Parliament is its own master and may enact legislation or statutes as it wishes within the confines of its constitutional authority. In effect, the amendment of the hon. member for Lotbinière confirms this. I believe the amendment is a nullity in the sense that it is not necessary to say what is obvious, and the obvious of course is that Parliament may legislate at any time to do the things it wishes to do within its constitutional authority. These are the points which would seem to indicate the amendment is out of order. However, if hon. members wish to present argument I would be pleased to hear it.

[Mr. Speaker.]

[*Translation*]

Mr. Fortin: Mr. Chairman, I have listened with great interest to your first remarks concerning the admissibility of the amendment I submitted yesterday with regard to clause 14 of Bill C-207. You question the merits of the amendment, and for the most part you base your decision on two points.

First, you say that this may be more in the nature of a statement than of an amendment. You add that there is no need to speak of the power of Parliament as this power is evident.

I would like to comment on your second point first. There is no evidence, at the present time, that Parliament is its own master, with regard to clause 14. It is neither certain, nor clearly indicated that Parliament will be able to appoint ministers through the agency of government, or to participate in a debate on the establishment of new ministries.

Mr. Chairman, it is obvious, and I agree it is, that when the government wants to set up a Crown corporation, a ministry of state or a federal department—and there are numerous precedents to enlighten us in this regard—it is clear that Parliament has its word to say about it and that it must pass legislation, that is to say, the government's desire to establish a particular department must be approved by Parliament.

But the procedure proposed in clause 14 is an exceptional one which does not give Parliament this authority to legislate on the establishment of a ministry of state. This is, indeed, what can be read in clause 14, and I quote:

—the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

Nothing is said about Parliament, and I will point out that this is a truly exceptional procedure as regards the setting up of a ministry.

It is precisely this concern which prompted me to move an amendment which is not a substantive one, and there is the second point of my argument.

Indeed, one can conclude from the heading of this clause that the substance of the matter is the establishment of ministries of state. Essentially, the question is therefore to know if we are in favour of the establishment of ministries of state or against it, and I will point out that my amendment does not aim at changing the substance of the matter directly or indirectly. The amendment that I have moved deals only with form and procedure, and I am not against the establishment of ministries of state, because I would then change the substance of the matter. In the 4th edition of Beauchesne's Parliamentary Rules and Forms, it is clearly stated that the substance of the matter cannot be altered, but that the form and procedure can be.

The government proposes in clause 14 the terms "Governor in Council" instead of "Parliament" and "proclamation" instead of "legislation."

Mr. Chairman, I will respectfully point out that even if I agree with you that it is not necessary—because obviously Parliament is supreme—to refer to the powers of Parliament, if we do not wish to use the terms "Governor in Council" or "proclamation", it is necessary to make things clear to state who will have the authority, if we do not agree about the procedure.

This is why althoug it seems obvious to us members that Parliament is the supreme authority, it is not evident from clause 14 because this clause denies Parliament this supreme power to legislate on the establishment of ministries of state, of departments and of Crown corporations.

Mr. Chairman, the amendment that I moved precisely opposed this procedure.

Then, Mr. Chairman, you give a general indication saying that we are free to make recommendations and give advice, which we appreciate respectfully.

You say that the amendment would appear to be a statement of some sort.

• (12 noon)

In fact, this is not a statement but a simple change in procedure with respect to the creation of ministries of state.

Here is a part of the amendment:

Parliament may pass an Act amending the Act respecting the organization of the Government of Canada and having the effect of creating a Ministry of State.

During the debate yesterday the hon. member for Ottawa West (Mr. Francis) told the House the amendment was out of order because it anticipates the intentions of the government.

I refer the House to *Hansard* of which everyone has a copy.

Mr. Chairman, if the argument of the hon. member for Ottawa West were right, we should logically say the same thing about this clause.

Indeed one can read this in the bill:

—the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

This clause therefore presupposes the intentions of the government and legislates, without giving Parliament any justification, on the necessity of creating ministries of state.

In other words, if my amendment has no bearing on an immediate and concrete reality, neither does clause 14: it relates to the possibility that some day the government might want to establish a ministry of state. In short, one is no better than the other.

Mr. Chairman, if the argument of the hon. member for Ottawa West seems in order to you, I respectfully submit that the same goes for my amendment; they both amount to the same thing.

The clause stipulates that the "Governor in Council may"; in the amendment, you can read: "the Parliament may". These are the same circumstances. The only change, Mr. Chairman, is in the procedure, the manner, the means, and not in the substance, the principle.

The principle is clearly indicated in the heading:

Ministries of State for Specified Purposes.

Mr. Chairman, thus this is not a future statement, since clause 14, at that rate, could also be a future statement, as the clause stipulates: "the Governor in Council may". As a matter of fact, what is clause 14 but a statement? It says:

Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters—

Mr. Chairman, these are such general terms that they are merely a statement of intent. Clause 14 is a statement of intent, some sort of a blank cheque to the government which one day or another, depending upon requirements, will establish a "ministry of state".

It is not mentioned whether this is a specific legislation. The names of the ministries are not mentioned and it is not said how many there will be. It is not specified in which fields they will work, study, formulate or develop their programs. The bill merely states that there will be "ministries of state" according to the "requirements for formulating and developing new and comprehensive policies"; all it says is that there will be ministries in relation to any matter or matters. It does not legislate in any specific field.

For this reason, Mr. Chairman, I suggest that if it can be said that my amendment is declaratory, clause 14 is also declaratory on the same ground. And if it can be legislated truly on a statement, granting that clause 14 is a statement of fact, since it really is, why should we not have the right to legislate at the same level?

This is not a question of money, but of legislating at the same level. For these reasons—and I apologize for taking so much of the time of the House to explain and defend the amendment which I proposed—it seems to me that the amendment does not deal with substance but with procedure, and that this is an excellent opportunity for the government, if it is willing to accept the amendment, to prove that it considers the substance, namely, the creation of "ministries of state"—if it is really necessary—more important than the ways, the means, the procedure to achieve it. If the government feels that the substance is more important than the form, then why should they not make concessions about the form, about the means of reaching the same end, that is the setting up of "ministries of state", of passing legislation in areas relating to "new and comprehensive policies".

[*English*]

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I regret that I am not able to support the procedural validity of the amendment proposed by the hon. member for Lotbinière, but I rise, for a moment or two, not just to add to the arguments against it but to suggest to him

that even if Your Honour does rule his amendment out of order, all is not lost. If we have sufficient votes, we can still achieve the same purpose that he has in mind. In other words, I see his amendment as, in effect, an expanded negative. Let me put it this way. The constitution of this country and the rights of Parliament are such that we could, by act of Parliament, at any time establish a ministry of state. What clause 14 seeks to do is to give the authority to the Governor in Council to do it without coming to Parliament. The hon. member for Lotbinière wants to make sure that before such Ministries are created Parliament has to legislate on them. So, all we have to do is defeat clause 14, and if my analysis is correct, of course that does support the contention that the amendment is really an expanded negative. So, although I anticipate that you will rule the amendment out of order, I trust that when the votes are called there will be enough of us here to defeat clause 14.

Mr. Baldwin: Mr. Chairman, speaking on the question of order which Your Honour has raised, as I understand it, the hon. member for Lotbinière is trying to indicate that the sole right to establish ministries of state should not be left with the government. I know, as the hon. member for Winnipeg North Centre pointed out, that there is always a residual right in Parliament, but obviously, for practical purposes, the passage of clause 14 will mean that that right will be taken away from Parliament. There is no question about it. As I understand what the hon. member for Winnipeg North Centre has indicated, we can achieve the same objective by defeating the clause.

I have not been around here as long as he has, so perhaps I am not as naïve as he is about the government's intentions. I fully realize that we would like to defeat this clause. Justice indicates it should be defeated. However, when the time comes the government will call in its storm troops and the clause will pass.

Mr. Reid: Because you do not have any on your side.

Mr. Baldwin: While I go along with what Your Honour has indicated, the question remains as to whether or not what the hon. member for Lotbinière wants to do is, in fact, achieved by these words, whether it is his intention that the establishment of a ministry of state by order in council should be subjected to parliamentary decision at a given time. I support that proposition. If he does not bring forward an amendment in those terms, and Your Honour should rule this one out of order, I probably will. In other words, if a ministry of state dealing with an important segment of the social and economic life of this country is established by proclamation, having in mind that the government intends to pass this clause willy-nilly, my belief is that the establishment of such a ministry should be dealt with by Parliament.

• (12:10 p.m.)

I very much doubt if the amendment as moved contains those particular views, and it may well be that Your Honour will rule it out of order. But if that is the hon. member's contention I would support him on another motion along those lines, or I might move one myself.

[Mr. Knowles (Winnipeg North Centre).]

The Chairman: With respect to my caveat last night, perhaps I may now rule on the point of order with respect to the amendment moved by the hon. member for Lotbinière. As I have indicated, it is a very important matter and has serious constitutional implications. As such, we must give it serious thought.

As I indicated, and as hon. members have indicated in their arguments when assisting the Chair in arriving at a decision, the purport of clause 14 would be to permit the Governor in Council to establish a ministry of state by proclamation. The hon. member, and others who have argued on the substantive matter in the debate, have indicated that they do not agree with it. Of course, this is a matter for argument, and what the hon. member for Lotbinière seeks through his amendment is to have the government establish these ministries by separate statutes.

I have indicated, and other hon. members have indicated, that we are merely stating the obvious with respect to a declaration by Parliament because Parliament, within its constitutional authority, is supreme. For those reasons, and for the others which I mentioned earlier, I feel I must not accept the amendment.

Mr. Stanfield: Mr. Chairman, I wish to make some comments on this clause, and I would like to begin by expressing my regret that more members of the government and more government supporters have not deigned to take part in discussion on the bill.

Mr. Boulanger: What about last night? You weren't even here.

Mr. Stanfield: I read what was said last night and I recognize that a few of them deigned to take part in the debate, but what they said seemed to be irrelevant to the discussion on the bill.

Some hon. Members: Oh, oh.

Mr. Stanfield: But I am pleased that, even though what they had to say was irrelevant for the most part, a few of them at least summoned up enough gumption to take part in the debate. I hope this trend will continue.

Some hon. Members: Oh, oh.

Mr. Stanfield: I am wondering whether this sort of attitude on the part of the government—

Mr. Deachman: We want to get on with the job.

Mr. Stanfield: Mr. Chairman, I hope hon. members opposite are not getting too excited already. It will be very bad if they are going to get excited at this stage of my remarks. I am just wondering whether this attitude on the part of the government supporters is preparation for charges of opposition obstruction?

Mr. Deachman: After 17 days debate.

Mr. Stanfield: If so, I want to tell the hon. member from Vancouver, and others over there who seem to be getting a little excited, that if this is their strategy it represents a very woeful misconstruction and miscalculation on the part of the government.

Mr. Deachman: Seventeen days?

Mr. Stanfield: And it is especially so if the government intends to charge a united opposition with holding up the creation, for example, of the Department of the Environment.

Mr. MacEachen: The NDP have not opposed that.

Mr. Stanfield: What we have in this bill are a few excellent proposals, of which the Department of Environment is one, associated with a lot of junk, of which this clause is one example. It is like the situation in a housing shortage where a fellow who owns a house has a lot of junk furniture, and he insists that the person buying the house must also buy the junk furniture at a very high price or else he will not get the house. I would suggest that if people in the business community behaved the way the government is behaving with regard to this bill, the Department of Justice would probably be very active in encouraging some attorney general to prosecute.

If the government wants to proceed with the valuable sections of the bill, let it do so. Let it separate the bill and not try to be smart. The Secretary of State for External Affairs was trying to be smart again this morning, suggesting that the government was anxious to get the bill passed. If the government is anxious to get the bill passed, then let it drop aspects of the bill such as this. Let it separate the bill and not continue to try to foist something off on the House and the people of Canada.

I understand the embarrassment of hon. members opposite with regard to participating in discussion on this bill. With justification, the bill has been described as a pork barrel measure. In fact, I was accused by one distinguished and eminent editorialist of not understating the situation when I said there was a pork barrel in this bill. The editorialist said there were several pork barrels in it. But in any case it is certainly a pork barrel measure we are now discussing, and nobody likes to be characterized as a pig, even by association. If you praise the construction of a trough with too much enthusiasm, you may have some difficulty in avoiding the charge or the reputation of hoping to wallow in it.

I say that if the government spent anything like as much energy trying to help the unemployed people as it is devoting to this measure, a lot would have been done by this time to help the unemployed. Of course, patronage on a large scale by the government is not confined to this measure. Ever since the election of 1968, we have seen the government looking after its friends outside, one by one.

Mr. Boulanger: Get Mr. Diefenbaker back in the House. I understand his English.

Mr. Stanfield: Sir, criticism goes beyond the pork barrel aspect of the bill.

Mr. Boulanger: I understand Mr. Diefenbaker's English better.

Mr. Stanfield: I am sorry the hon. member has difficulty with my English. I will try to speak slowly enough so that he can understand it. I think the message is getting to him judging from the fact he feels it necessary to interrupt me, and to carry on a constant conversation. It seems he is not too happy to hear the things that are being said about the bill, but there will be lots of time for the hon. member and his colleagues to take part in the discussion.

Mr. Boulanger: I took part last night.

Mr. Stanfield: The hon. member will have to do better. As I was saying, criticism of the bill goes far beyond the pork barrel aspect. The part of the bill we are now considering would allow the government to set up, and then dismantle, a whole series of departments without any parliamentary approval. This is what was worrying the hon. member for Lotbinière.

The pitfalls are obvious. This is another step in the degradation of Parliament. I do not pretend that Parliament is the totality of democracy in Canada, but in this country it is certainly one of the most vital and basic links in the democratic chain. Any attempt to whittle down its rights is an attack on the democratic process, and that this is the effect of this bill has surely been adequately demonstrated already. Why then is there this determination on the part of the government?

• (12:20 p.m.)

The hon. member for Lotbinière said on Wednesday that the setting up of these new structures now is simply a means of trying to hide inefficiency. I certainly go along with that analysis. The government knows, or ought to know by this time what the basic problems are, but it seems to be attempting to give itself a sort of panel of panic buttons to press when it is faced with some kind of unexpected event. In other words, we have another instance of government by ad hoc measures; this time we might call it institutionalized ad hocism. After three years in power, government is still looking at machinery instead of dealing with issues, and still dealing with structures instead of concrete reforms. This clearly became a government by way of improvisation. Look at the action with regard to Denison, just off the top of the head. Look at the action with regard to Home Oil, just off the top of the head. It was not part of any policy. Yet this government, Mr. Chairman, is supposed to be a program government, a government that knew what it was doing. This doesn't say much for its over-all competence or its ability to forecast.

Once again, as in so many spheres, we are faced with ambiguity and uncertainty. This time, the government intends to institutionalize these two characteristics by process of law. It must be the first time that a democratic government has openly admitted its own

incompetence and lack of foresight. We have had enough experience with improvising, Mr. Chairman, to deepen our concern that a provision such as we are now considering would increase the certainty of ambiguity and the certainty of confusion.

Three sources of deep concern about this measure relate to the integrity of Parliament. This measure represents an attack on the essential dignity of the Member of Parliament. I realize there is a problem in this age of growing executive power, but the solution of this government for the great majority of government Members of Parliament, is to try to include them in the charmed circle of executive perquisites. In other words, the sweets of office are handed around to everyone.

We have another dimension to the extent of confusion now, Mr. Chairman, the confusion that exists among ministers and parliamentary assistants. The ordinary Member of Parliament is usually considered to be expressing his own views unless he is explicitly expressing government views. Until the era of this government it was assumed that ministers expressed government policy when they spoke, but not now. It all commenced with the debate on NATO in which the Minister of Communications expressed totally different views from those of the Ministers of External Affairs and National Defence who had some responsibility.

More recently there has been the matter of Alaskan Oil. We have the Secretary of State for External Affairs expressing disapproval of the Alaskan and Pacific route, but indicating that he does not intend to oppose it. If he is at sea, where are the other ministers who share responsibility in this matter? For example, the Minister of Energy, Mines and Resources is reported to have said yesterday that, as he sees his duty it is to stimulate public discussion on these matters. One would have thought, Mr. Chairman, that his duty would be to develop policy instead of jumping around like a cat on a hot tin roof. We follow the minister all the way from Denver to his meeting the other day with representatives of the oil industry, and what do we find? We find the minister busily engaged in developing, not public opinion and certainly not informed public opinion, but simply in creating confusion in the minds of the Canadian people and, I am sure, in the minds of the American people as well.

Then we have the Minister of Communications getting into the act. The delightful climax is the Minister of Energy, Mines and Resources suggesting to the Minister of Communications that others should think before they speak.

I am pointing this out at some length, Mr. Chairman, to remind everybody of the degree of confusion we have with the present size of the cabinet and the number of parliamentary assistants. We hear about all kinds of escalation these days. In view of the experience we have had, and in view of the proliferation of ministries and parliamentary assistants contemplated by this bill, I think it might be described as an escalation of confusion.

There are two results which are felt by the ordinary Member of Parliament, Mr. Chairman. There is increased pressure on government members to conform to the party line and there is the degradation of the basic task of the parliamentarian which is to cast a critical and appraising eye on the executive power. It means more than ever that the only authentic Member of Parliament will be on the opposition side of the House if these measures carry. It shows the basic contempt with which the government views its own backbenchers, and it is another step in the direction of executive control of Parliament.

In short, Mr. Chairman, this clause of the bill constitutes an admission by the government of its own inability to pursue defined long term policies; it constitutes an admission of incompetence and a further attempt to substitute improvisation for planning and God knows, Sir, we have had enough improvisation. I say that it is no wonder the ordinary member on the other side of this House is unwilling to debate. I ask myself whether most of them are afraid to involve themselves because of the possible effect it might have on their future. It is no wonder that they want this debate to end quietly and soon. In general, their silence is an eloquent expression of their shame and I suppose that feeling does them some credit, but it is not enough. I say to them, through you, Sir, that if they believe in Parliament, if they believe in the control of government by Parliament, if they believe in themselves as parliamentarians, they should be raising their voices against this sham version of participatory democracy. By their silence, they are voicing their shame but at the same time they are displaying their servility.

Mr. Lambert (Edmonton West): Mr. Chairman, despite some of the suggestions of members opposite that they are anxious that this debate be terminated, I want to let them know that outside of a very short participation on second reading I have not appeared at all on the debate in committee. However, at this particular point I think one must pause and examine the implications of what is really a new bill within a bill, an entirely new principle in the structure of government. Yet they want us merely to gloss over this and, because it has been proposed by them, to bow low three times or more in subservience to that superintelligence that they seem to have arrogated to themselves. They have assumed the mantle of omniscience. They say that this is good for this country, that this is good for Parliament and that therefore we should rubberstamp it. I do not want to attribute motives to hon. members, but the unseemly and undignified urge to get on with this legislation seems to be a direct measurement of the kind of aspiration of some hon. members for the positions which would be created under this bill. I have no hesitation whatsoever in asserting that and repeating it. It is their desire for promotion that urges some hon. members to try, shall we say, to impose a gag on hon. members on this side. Yet what are the facts? Should not hon. members reflect for a moment on what is being proposed today?

• (12:30 p.m.)

Mr. Boulanger: It is the hon. member who ought to reflect.

Mr. Lambert (Edmonton West): When the hon. member from Montreal, who is known for his piping voice, speaks, it usually indicates that the gauge is set at high and that the whistle will be shrill. But the shrillest whistles come from empty places, Mr. Chairman.

If you will look at what is proposed here, Mr. Chairman, and how this ties in with the power of the office of the Prime Minister of Canada, you will see that it will require not a 20 minute intervention but a number of interventions to expose what is being done to some of those people whose apparent greed for office tends to blind their reason.

Let us look at some of the justifications which have been put forward. I am surprised that neither the Prime Minister nor his parliamentary secretary have ever been present to take part in the debate on this very fundamental reorganization of the principles of cabinet responsibility to this House. They are responsibilities not to one man but to this House. That is something that seems to have escaped those opposite. This is one responsibility that should not be shirked by the Prime Minister. It is not for another minister to pilot through this part of the bill. It affects the prerogatives of the Prime Minister, and he should be here to defend his case.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): So far, there has been no appearance by the right hon. gentleman.

An hon. Member: There has been a delegation of nothing.

Mr. Lambert (Edmonton West): Has nothing been delegated? It is not the duty of another minister nor the responsibility of another minister to pilot through a cabinet restructuring of this kind. This is a fundamental abdication of responsibility on the part of the Prime Minister.

Mr. Pepin: How?

Mr. Lambert (Edmonton West): The Minister of Industry, Trade and Commerce, who has exercised the responsibility of a privy councillor, should know better and should know that that is the responsibility of the Prime Minister. I am not speaking of the other parts of the bill. I am speaking of this particular part.

An hon. Member: He does know and he does not care.

Mr. Pepin: That is not correct.

Mr. Lambert (Edmonton West): The minister can wave his hands in protest all he wants, but this is all within the responsibility of the Prime Minister.

Mr. Boulanger: Why does the hon. member not read the bill?

Mr. Lambert (Edmonton West): The Minister of Industry, Trade and Commerce suggests that there can be delegation of responsibility. Not one minister has said anything in justification of this clause.

An hon. Members: There is no gag.

Mr. Lambert (Edmonton West): Simply because this clause appears in a bill it seems that we are to treat it as a law, as a ukase from on high, as though this were the imprint of God which should not be questioned. That is not the way this House will take it; and, as far as I am concerned, I say that if this is to be the attitude of the government, it will take that much longer to get the bill through.

Mr. Boulanger: Blackmail.

Mr. Lambert (Edmonton West): No, this is not blackmail.

Some hon. Members: Oh, oh!

Mr. Pepin: Mr. Chairman, on a point of order—

The Chairman: Order, please. The Minister of Industry, Trade and Commerce is trying to gain the floor on a point of order.

Mr. Pepin: Mr. Chairman, I have heard the argument developed by my hon. friend from Edmonton West. Can he refer to any law or constitutional practice to demonstrate that a minister in whose name a bill appears must be present in the House and cannot be represented by another minister when his bill is introduced and debated in the House?

Mr. Lambert (Edmonton West): I am very pleased to answer that question. I will say this: ministers, on occasions, have been represented by other ministers, yes. They have discussed legislation and so on and so forth. I will reply to the minister by saying that no Prime Minister has ever ducked the responsibility or the obligation of setting up a new ministry or altering the composition of his cabinet. That is not the responsibility of either the President of the Treasury Board or the Minister of Industry, Trade and Commerce. That is in no way their responsibility whatsoever.

Mr. Pepin: The hon. member should check the record.

Mr. Lambert (Edmonton West): The minister can check the record all he wants. I will say to the minister, through you, Mr. Chairman, that he is trying to drag across the trail a very smelly red herring.

Mr. Pepin: Not at all.

Mr. Lambert (Edmonton West): The government says that it wants to have a flexible response. That seems to be the theme underlying the whole principle of this part of the bill. The government wants to be in the position of being able to exercise a flexible response, so that action can be taken and so that it will not have to come to this House to justify that action. It takes too long a time. Of course, if one wants to take that argument to its ultimate point, one can say that the government which allows the greatest degree of flexible response is a dictatorship, a straight dictatorship. Under that system all that has to happen is this: one man makes up his mind and, there and then, the changes are made. If that is the sort of

flexible response you want, then I suggest to you that you have not gone far enough.

Mr. Paproski: What you ask for is what you get.

Mr. Lambert (Edmonton West): Nevertheless, the tendency is there. This is the action of people who are impatient with democracy. This clause seeks to give the Prime Minister the power to create at some time five ministries of state. It is the Prime Minister who is to get these powers. He will do that whenever he sees fit. It is not the government at large that is getting the power. It is not the cabinet, or the governor in council that is getting the power, it is the Prime Minister. Let not the President of the Treasury Board look at me with amazement or incredulity on his face. Let us get down to brass tacks, Mr. Chairman, and admit that there is not one ministry that exists or one minister who occupies his office without the complete approval and sanction of the Prime Minister. He put the ministers there and he can also remove them very rapidly. This could and does happen.

Mr. Boulanger: Where did the hon. member get his information?

Mr. Paproski: Look at what happened to the hon. member for Trinity.

• (12:40 p.m.)

Mr. Lambert (Edmonton West): Let us briefly—and I may need more time to speak on this subject later—review the power of the Prime Minister of Canada, or the power of the office of the Prime of Canada, as compared with the power of the President of the United States and the power of the Prime Minister of Great Britain. At the present time, even without this bill, the Prime Minister of Canada is a more powerful individual within the structure of the government of Canada than is the president of the United States or the prime minister of Great Britain. Some people may be amazed at this fact. I assure hon. members that this particular step that is now being proposed by the government in this bill takes that power much further. There can be a manipulation of the cabinet and the entire structure of government by one man.

An hon. Member: You are a bunch of puppets.

Mr. Lambert (Edmonton West): What is the purpose of the creation of ministries of state? We could have a minister of state for economic affairs. We could transfer the functions of the Minister of Industry, Trade and Commerce, the Minister of National Revenue, the Minister of Regional Economic Expansion and the Minister of Finance and put them all under a minister of state for economic affairs. This would take in one large ambit of the government. The Secretary of State for External Affairs, the Minister of National Defence and a couple of other ministers could be grouped under one title. The duties of the Attorney-General of Canada, the Minister of Justice and the Solicitor General could all be wrapped up in one ministry of state for home security. There could be five czars within the cabinet.

[Mr. Lambert (Edmonton West).]

[*Translation*]

Mr. Béchard: Mr. Chairman, may I direct a question to the hon. member?

Mr. Lambert (Edmonton West): After I finish my speech. At this moment I do not have time to answer but after my remarks the hon. member will have the opportunity of asking me questions.

[*English*]

This can be changed by order in council. Who but the Prime Minister controls those who make the orders in council? The Prime Minister governs the people who do this work. This is the nature of the beast. I am not referring to the present Prime Minister, but the office of any Prime Minister. I am not talking about the personality of the present Prime Minister, I am discussing the position, powers and responsibilities of that office and what can be done. This Parliament is being asked to give even greater powers to that office. I object to that, Mr. Chairman.

Some hon. Members: Hear, hear!

Mr. Lambert (Edmonton West): My time is very short, but I intend to come back to this charge with regard to the powers of the office of the Prime Minister. Under this set-up, no government member will dare challenge that. Why cut off your nose to spite your face? I am brutally frank about this.

The executive already has too much power vis-à-vis Parliament. It is on behalf of Parliament that I want to speak. Hon. members who are wholeheartedly behind this proposal are being deluded by the so-called request for a flexible response and so-called efficiency. This is being done in the same way that members have been deluded and inveigled into giving up their rights, some in very small slices but others to a considerable extent.

Mr. Boulanger: Their rights to what?

Mr. Lambert: Their own rights as members. This is something the hon. member fails to recognize.

Some hon. Members: Hear, hear!

Mr. Lambert: The only right that the hon. member recognizes is that he can sit in his seat, raise his voice and heckle by uttering nonsense. That is all he can do.

Mr. Drury: Will the hon. member permit a question?

The Chairman: Order, please. Is the President of the Treasury Board rising on a point of order?

Mr. Drury: No, Mr. Chairman. I want to know whether the hon. member will permit a question.

Mr. Lambert (Edmonton West): Of course, I will permit questions from the genial minister.

Mr. Drury: I am most interested in this analysis. I would like to know in what way the rights of Parliament would be derrogated, eroded or reduced by the appointment of a minister of state to look after the affairs of women, as has been suggested?

Mr. Lambert (Edmonton West): The affairs of—

Mr. Drury: The female sex.

Mr. Lambert (Edmonton West): It is not the purpose that I am discussing Mr. Chairman. It is the fact that such a ministry, having been set up, could be completely abrogated by an order in council without any discussion in this House. If the ministry is set up, the members of this House would not have one word to say about the duties and powers of such a ministry. Even the act of setting it up would be the result of the thoughts of one man, or a small group of men, who would have the exclusive right to determine the nature of the order in council setting up that ministry.

There are variations provided for in clause 16. The Governor in Council may by proclamation make changes from time to time. Parliament would not have the opportunity of discussing them. To that extent, Mr. Chairman, the rights of members are being abrogated. The composition of the cabinet is being provided for in a manner whereby this House will not have the opportunity to say one word about it, yet the cabinet is supposed to be responsible to this House. What a contradiction in logic is that? Although the cabinet is supposed to be responsible to this House, we are now being asked to state that we will not have anything to say about the duties assigned to ministers or anything of that nature. I notice that my time has expired.

Some hon. Members: Carry on.

Mr. Lambert (Edmonton West): I am not going to ask for an extension at this time.

The Chairman: Order, please. The hon. member's time has just expired. He may continue if there is unanimous consent.

Some hon. Members: Agreed.

Mr. Béchard: Mr. Chairman, I would like to ask a question.

The Chairman: I understand there is unanimous consent. Before the hon. member continues, he may want to accept a question from the parliamentary secretary.

[*Translation*]

Mr. Béchard: I rise on a point of order, Mr. Chairman. I have no objection to the hon. member continuing his brilliant speech, which contributes nothing to the debate, but I should make that subject to a condition, that he reply immediately to the question I want to put to him.

Mr. Lambert (Edmonton West): Mr. Chairman, I accept no condition set by the hon. Parliamentary Secretary, but I will tell him that it was not my intention to pursue my remarks now as they would extend far beyond the few minutes I would be granted. I shall therefore reply later this afternoon, and I am prepared to reply 100 times, if he so wishes.

Mr. Béchard: Once should be enough.

• (12:50 p.m.)

[*English*]

The Chairman: The hon. member for Lotbinière.

[*Translation*]

Mr. Fortin: Mr. Chairman, I am surprised at the comment made by the Parliamentary Secretary to the Minister of Justice (Mr. Béchard) who is imposing conditions on the right to speak of an hon. member. It seems to me that he is assuming certain rights, since all hon. members have the right to speak, and since it is not up to one of them or to a Parliamentary Secretary to grant such right.

Mr. Béchard: Mr. Chairman, on a point of order. I wish to point out that I have as much right to speak as the hon. member for Lotbinière who is giving us, for the fifth time the same senseless speech.

[*English*]

An hon. Member: That does not mean anything.

Mr. Paproski: On a point of order.

The Chairman: Order. Will the hon. member for Lotbinière please resume his seat? I recognize the hon. member for Edmonton Centre.

Mr. Paproski: I wish hon. members on the government side would stop their filibuster so the hon. member for Lotbinière can carry on.

The Chairman: Order. The hon. member for Lotbinière has the floor.

[*Translation*]

Mr. Fortin: Mr. Chairman, at this point of the debate on clause 14, which provides that the Governor in Council may by proclamation, establish a ministry of state, without going through the normal procedure, that is through legislation, I object once more to this manner of proceeding. Since the amendment I moved has been rejected, I wanted to intervene at this time to bring in new elements to this debate.

To replace my hon. colleagues in the context of this debate, I should like to set forth some basic principles that govern Canada. Canada is a sovereign country, although its charter is a foreign document. Our political system is a constitutional monarchy, in a federal system, in a parliamentary and democratic system, in a responsible government.

Mr. Chairman, the executive now consists of the Governor General, the Prime Minister and his cabinet. The Prime Minister is the major element.

The Governor General merely acts on behalf of the sovereign and on the advice of the cabinet. He summons, adjourns and dissolves parliament. He sanctions legislation and officiates at ceremonies. His main responsibility is to ensure the continuity of the state and to choose a Prime Minister in some rare and exceptional cases.

The members of the cabinet must normally be elected members from the party of the majority or from the party which obtained the confidence of the House.

Mr. Chairman, such is the spirit of the statutes which govern Canada. Therefore, it may be seen that the Governor in Council is nothing more than a ceremonial institution, and that it is not the Governor in Council who can establish "ministries of state", but rather the cabinet.

According to the British North America Act, parliament is composed of the Queen, the Senate and the House of Commons. The House of Commons remains the corner stone of the Canadian parliamentary system. Only the House may propose bills involving expenditure of monies or imposing new taxes.

Mr. Chairman, this is still the spirit of the legislation governing the Parliament of Canada. Well, clause 14 pushes aside parliament, which is still the supreme institution according to our statutes, to say that the cabinet itself will establish by proclamation and not by legislation the "ministries of state". The executive power is responsible to the elected representatives of the people for its actions and decisions. The House can overthrow the government by a non confidence vote, but the Prime Minister may at any time ask the Governor General to dissolve parliament and call a general election.

Therefore it means, Mr. Chairman, that according to the intent of the laws governing Canada, this House still remains a supreme institution. The government must answer to parliament for its decisions and administration.

But, in clause 14, the government gives itself an exceptional right not to proceed through parliament, concerning the establishment of "ministries of state". There is, in Canada, a genuine separation between the judicial and the political powers on which is based the principle of the independence of courts.

But parliament, Mr. Chairman, is still sovereign, under Canadian laws concerning the powers not dealt with under the BNA Act, including human rights.

Mr. Chairman, this shows again how the government, through clause 14, violates the laws which, since 1867, govern the administration of Canada. Parliament—and this is where things become most interesting if we consider the intent of the laws governing us—exercises control over the action of the executive power and can withdraw its confidence if necessary.

This means, Mr. Chairman, that it is not the government or the cabinet which gives parliament its power, but parliament which gives it to the government. It is an important factor of our parliamentary system and shows that if one wants to be logical, parliament should confer to the government the power to create those ministries of state and will in effect be creating them. It does not fall on the tool of parliament to create those ministries but on parliament itself.

Parliament must consider bills and the supremacy of the legislative power has never been challenged in Canada.

However, Mr. Chairman, the present government is challenging the supreme authority of that legislative institution, by introducing an exceptional legislation concerning the establishment of ministries.

I see that the Minister of Industry, Trade and Commerce (Mr. Pepin) is frowning, but I suggest to him that his department was indeed created by an act passed by the House of Commons while those ministries will not be established by an act of the House of Commons but rather by a proclamation of the governor in council.

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

The Chairman: It being one o'clock I do leave the chair. The committee will resume at two o'clock p.m.

At one o'clock the committee took recess.

• (2:00 p.m.)

AFTER RECESS

Mr. Fortin: Mr. Chairman, before lunch, I was demonstrating that clause 14 is in direct contradiction with the spirit and the letter of the legislation governing the land since 1867.

Parliament, always according to the spirit and the letter of the legislation governing Canada, exercises control over the actions of the executive power and can deny its confidence if need be. This has occurred in Canadian history. When you read the history of Canada, the mere fact that in some instances parliament denied its confidence in the government through a non-confidence motion or by overthrowing it proves to what extent the influence of parliament exceeds the executive power where decisions are concerned.

Parliament must study bills always according to the spirit of the law. The supremacy of the legislative power in this regard has never been questioned in Canada.

It is done nevertheless in the everyday political life. One quickly realizes that the balance of power now tends towards the executive on account of the great number of statutes. For instance, under the omnibus bill before us, we can no longer exercise complete control over all aspects of the legislative program submitted to parliament.

That is an extremely important point. The government made parliamentary reforms, they invented new ways of legislating in presenting, for instance, measures which we call omnibus bills and which include different parts often without any relation with one another. It is a kind of package deal that the House is asked to pass at top speed.

It does not take more time to pass a complex piece of legislation than a very simple one. Such a thing is inconceivable but it is done without hesitation under the guise of efficiency. Such is the system towards which parliament is moving progressively while losing little by little its control over the legislative power.

We can no longer thoroughly and objectively examine complex bills as we would a very simple measure. Bills from a member of the opposition have no chance of going through because the system is inadequate or because it is a bill the cabinet has decided not to approve.

The government has now decided to legislate through regulations without consulting the members and thus weaken the legislative power.

Now what is the object of clause 14 if not to legislate by creating "ministries of state" through a regulation or a royal proclamation instead of doing it by means of a debate and a vote in the House.

Mr. Chairman, I should like to give an explanation on a particular point. I do not object to the creation of ministries of state nor to the underlying principle, but I object to the form, to the procedure through which we are going to create ministries of state.

That will have the effect of increasing the power of the government to legislate by proclamation or regulations without consulting the House. It is that aspect of the question which prompts me to fight so desperately in the hope of bringing my colleagues, and particularly the President of the Treasury Board (Mr. Drury), to revise their positions.

More and more, observers believe that the most important changes in the political institutions of Canada are no longer the result of the work of parliament, but rather of structures which properly speaking have no legislative power and which come directly under the jurisdiction of the executive power. For instance, the federal-provincial conferences as well as the different ministries of state which will be established.

Mr. Chairman, those ministries of state do not come under the jurisdiction of parliament, but under that of the executive power which will legislate more and more not through the democratic action of parliament but through its own authority, by way of royal proclamation or regulations.

Mr. Chairman, the rise of technocrats and the delegation of the responsibilities of the House to Crown corporations, to offices, to boards, to the cabinet itself, as it is done by Order in Council, have contributed and contribute more and more to a loss of prestige by parliament.

• (2:10 p.m.)

Mr. Chairman, more and more this government is legislating, controlling and influencing the Canadian policy not by using such a wonderful tool as parliament but on its own and through its own creatures, by establishing corporations not under the control of parliament, and by setting up, for example, regional information offices at the service of the right hon. Prime Minister (Mr. Trudeau) about which members of parliament are not allowed to say or know anything.

By proclamation, the government would give itself the power to create ministries of state, to appoint directly ministers of state at the head of these ministries, and this would therefore entail the expenditure of public funds which would escape control by parliament and we would get no information except, of course, the piece-meal information which the government agrees to give us.

Needless to say, Mr. Chairman, as members we are already in quite a precarious position in the eyes of the Canadian people as we cannot play the role we were given regardless which side of the House we are sitting, namely of being informed and of transmitting this information to our ridings. We can no longer do this now because of the increasingly encroaching powers of the technocrats on members' actions.

This is basic. Several Liberal members behind the curtains are justified in complaining as do the Conservative the NDP and the Créditiste members, that the technocrats now have more importance and influence than the members, and this is nonsense.

The technocrats do not have to report to the people whereas the members do. In passing, let me say simply that each one of us regardless of his political views, will be responsible before our citizens at the next general election.

This means that if we are to account for our actions to the people we represent in parliament we are entitled to influence the policies and the administration.

Such are the spirit and the letter of the legislation governing our country. Mr. Chairman, when the executive, under the guise of efficiency, creates tools directly responsible to it and not to parliament, when the government arrogates the powers of parliament and delegates them to tools not responsible to the people, the prestige of parliament is being degraded, as well as the role of the member, whatever his political allegiance. We then prove inconsistent and indeed undemocratic.

We are all for efficiency and for "developing new policies" as prescribed by clause 14, since our present policy is antiquated and unintelligible. We wish the development of a new policy in various fields. We should like to know in which particular field these ministries will act, under whose authority and, precisely what responsibilities the ministers appointed to head them will assume. In addition, we should like to know whether these ministers will be responsible to parliament.

I ask myself the following question: will these ministers answer questions put by hon. members? In fact, the bill clearly says that the Governor in Council will appoint them. Therefore, if the minister heading the ministry condescends to reply, we shall get answer but, otherwise, they will do as does the Secretary of State (Mr. Pelletier) concerning the CBC; they will provide no answer.

Mr. Chairman, this is why I fiercely oppose this clause that runs counter to the spirit and the letter of the legislation governing Canada since 1867.

[*English*]

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Chairman, there are probably some reasons why, after 17 days on this bill, a government member might be prompted to enter the debate. I suppose one could respond to the provocation of the charges from the opposition which in many cases are unworthy of hon. members opposite—charges of greed and of self-seeking, charges that somehow members over here are afraid that if they became involved in debate they would jeopardize their future, charges which came from amongst others the Leader of the Opposition and are unworthy of him and of his party.

Mr. Baldwin: I have to leave because I have not had my lunch.

Mr. Faulkner: My remarks might give the hon. member for Peace River indigestion, so perhaps he should leave for his lunch. After 17 days of listening to the fatuous charges made by members of the opposition in lieu of argument, one thing is certain and that is that government backbenchers could not be inspired to get into this debate on the basis of dealing with argument. We have not had much in the way of argument. What we have is a badly disguised filibuster which has recently degenerated into a pure farce.

In the past three days we have had four contributions from the hon. member for Lotbinière.

An hon. Member: They have been good ones.

Mr. Faulkner: Last night we had a corporal's guard of Tories led by my good friend the hon. member for St. John's East, who had to speak twice because there were not enough members here to systematically delay the passage of this legislation.

• (2:20 p.m.)

Mr. McCleave: You wouldn't listen to him once.

Mr. Faulkner: The only point he really made was that somehow in our traditions there is a contradiction when you have the committee of the whole house meeting and standing committees meeting at the same time. At no point did he make the same objection to the House meeting, with Mr. Speaker in the Chair, at the same time as committees were meeting, which is something that happens every day in our practice. According to him, somehow the contradiction develops when the committee of the whole house is meeting and the standing committees are meeting. The hon. member, Mr. Chairman, has more intelligence than that, and one cannot help but feel he was searching for arguments to use up the time, to delay further the passage of what is really, in all respects, a very innocent piece of legislation.

Some hon. Members: Oh, oh!

Mr. Faulkner: Hon. members opposite groan. That is the level of their arguments now, a series of groans. Now, Mr. Chairman, I want to examine some of the things that were said—

Mr. McCleave: May I ask the hon. member a technical question, and may I point out he is a former deputy speaker of the House? How is it possible for the committee of the whole house to meet when Mr. Speaker is in the Chair?

Mr. Faulkner: Mr. Chairman, if the hon. member for Halifax-East Hants had done me the courtesy of listening to my remarks more carefully he would be able to appreciate the distinction. The argument being made last night by his colleague was that the committee of the whole house should not be meeting while standing committees are meeting. The point I am making is that the same objection was not made by the hon. member for St. John's East with respect to committees meeting at the same time as the House is meeting with Mr. Speaker in the Chair. Apparently it seemed to him that the House was not as important as the committee of the whole house.

Now, Mr. Chairman, I would like to deal with some of the things that have been said in this debate. This bill has been described by various members in pretty strong terms, and I suppose in none stronger than those used by the right hon. member for Prince Albert. If you go through his remarks, Mr. Chairman, you will see he made some very strong claims. He claimed that Parliament was being bamboozled. That seems to me to be a reflection as much on the members of his own party as it is on the members on this side of the House. He quoted with approval the remarks of the hon. member for Carleton-Charlotte who described "the mercenary provisions" of this bill. He went on to describe the bill as having all the hallmarks of the dictatorship of the majority. He went on to describe it as a fraud, a political swindle, and he also described it as a piece of skulduggery, placing shackles and bridles on Parliament.

Some hon. Members: Hear, hear!

Mr. Faulkner: Hon. members opposite approve. I hope they approve, when I conclude my remarks, with as much enthusiasm as they approved these fatuous charges of the right hon. member for Prince Albert. That is how he, an ex-prime minister, one of the senior members of this House, described the government organization bill. I suggest, Mr. Chairman, that his strong language is nothing more nor less than exaggerated nonsense. The tragedy is that he is not alone. He has the support of another very senior, very respected member of this chamber, the leader of the New Democratic Party, the hon. member for Nanaimo-Cowichan-The Islands.

Mr. McCleave: Could it possibly be that both of them are right?

Mr. Faulkner: The hon. member will have his chance to speak again, Mr. Chairman, and we will listen with bated breath to his fourth or fifth contribution to this debate. I would like to quote some remarks made by the hon. member for Nanaimo-Cowichan-The Islands, as recorded at page 4788 of *Hansard:*

> Yet here the government is asking for authority, without referring to parliament and merely by proclamation, to set up such a department, to extend the powers of that department—

Mark that, Mr. Chairman.

> —to extend the powers of that department and, when it deems it advisable, to end that department.

It was offensive to the hon. member that the government could do this sort of thing.

> Parliament is not to have any opportunity whatsoever to discuss the matter. Mr. Chairman, this is an amazing attitude for the government to take.

At that point the right hon. gentleman from Prince Albert interjected:

> It is scandalous.

This inspired the hon. member for Nanaimo-Cowichan-The Islands to continue:

It is nothing short of scandalous that the government should ask for the power to set up departments of government without referring to the Parliament of Canada—

That is an interesting suggestion, Mr. Chairman, particularly in light of what was put on the record on February 2 by the President of the Treasury Board. I draw the attention of the committee to recent changes made under the Manitoba Executive Government Organization Act. I point out that at the time of those changes, we hardly heard cries of dismay from members of the New Democratic Party. There were no alarms raised at that point. What were the powers that the Manitoba legislature, under that act, provided for the Lieutenant Governor in Council? I quote from the act:

Notwithstanding any act of the legislature the Lieutenant Governor in Council may determine the organization of executive government and of the various departments thereof, and for that purpose may

(a) establish, vary, or disestablish any department;

This is precisely the power that the hon. member for Nanaimo-Cowichan-The Islands was describing in these rather extravagant terms in respect of the present bill before the House. Under the Manitoba Executive Government Organization Act, the Lieutenant Governor in Council may also:

—determine or vary the duties and functions of any department and transfer any duties and functions from one department to another;

(c) determine or change the name of any department.

Now, Mr. Chairman, if what is happening here is so offensive to the traditions of Parliament, if what is happening is so inimical to the traditions of this Parliament, surely it is equally offensive and inimical to the traditions of the legislature of Manitoba. It appears to me that the hon. member for Nanaimo-Cowichan-The Islands has two standards, one to apply to a government which does not share his political philosophy, and another to apply to a party which happens to be the government at the time, and which does share his philosophy.

That was not the only claim that that hon. member made. He also went on to call into question the matter of control. All hon. members know that the appropriations of ministries of state pass through our committee system and before the House. But the hon. member for Nanaimo-Cowichan-The Islands did not deal exactly with this point. These were his remarks, as recorded at page 4788 of *Hansard*.

There is no opportunity in the House except for a vote. It is true that a member may specify a particular item on which he wants a vote taken, but there is no opportunity for discussion.

Now, Mr. Chairman, that is simply not true. If the opposition want to debate an item of the estimates, and they know this as well as I do, they simply put forward that item and forgo the temptation to put in a resolution which pre-empts it. There is no reason why any item in our estimates cannot be debated in the House of Commons. I think it is misleading to suggest that there will be no opportunity to debate these appropriations.

• (2:30 p.m.)

An hon. Member: How long?

Mr. Faulkner: I woudl like to look briefly at this bill which has engendered so much opprobrium, which has been called in such extravagant terms a bill to undermine Parliament and jeopardize parliamentary traditions.

Mr. Baldwin: The bill is for the benefit of Liberal backbenchers.

Mr. Faulkner: What are we talking about? What are the powers we are talking about when we deal with ministers of state? I have before me clauses 14 and 15. Basically, the ministries of state for designated purposes are to be set up to formulate and develop new and comprehensive policies in relation to any matter or matters coming within the responsibility of the government of Canada. Surely, that is not such an outrageous proposition. A ministry of state would simply be set up to respond, in a flexible way, to immediate needs. It seems to me a little extraordinary that hon. members opposite can see in such a provision a threat to our democratic institutions, and such a threat to our Parliament, that it has required them to protract this debate for 17 days. When one compares the particular powers sought in this bill with the powers which are available to the Manitoban Lieutenant Governor in Council, one really questions the sincerity at least of members in the NDP in protracting this debate.

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh.

Mr. Faulkner: The fact is that this is an entirely relevant provision, relevant to the needs of government in the 1970's. There is nothing insidious about it, there is nothing dangerous about it, and it escapes me completely as I am sure it must escape Canadians at large, why the official opposition would protract, delay and procrastinate for 17 solid days of legislative time, debate on a bill which simply provides for these meaningful and relevant powers.

Mr. Osler: Would the hon. member permit a question? Can he tell us how much mail he has been getting on the subject after 17 days of debate? I did not receive any.

Mr. Faulkner: That is true. I am hoping to get more mail after my speech.

Mr. Baldwin: You will, and you will not like it.

Mr. Reid: It will all be from you.

Mr. Faulkner: If I may sum up, because my time is limited, as is everybody else's—

An hon. Member: Take all the time you want.

Mr. McCleave: We are Conservatives, not hoodlums.

Mr. Faulkner: I know why hon. members opposite are so generous, because when I speak it takes the burden off others in protracting this absurd filibuster into 18 and 19 days. But I am not prepared to go on to that degree, much as I admire and respect hon. members opposite.

The point is that clauses 14 and 15, which deal with ministries of state, do not set up a department to manage a program. In the bill itself it is indicated, and it was indicated by the President of the Treasury Board, that ministries of state will be more or less small, highly specialized groups, probably temporary in nature in some cases, to deal with a specific problem. I really fail to see how any member opposite, with any understanding, even as minimal as it often is on the opposite side, of what our needs are today in government could possibly object to that provision.

Now, I want to turn to another clause which has also come in for some criticism, and which relates to parliamentary secretaries.

Some hon. Members: Oh, oh.

Mr. McGrath: That is the one that is so dear to most of our hearts.

Mr. Faulkner: I am surprised at the hon. member for St. John's East.

Mr. McGrath: It affects all my deposed friends over there.

Mr. Faulkner: The hon. member has had some experience with regard to parliamentary secretaries. Would he like to see the leader of his party stand up and say, if elected, God forbid, as leader of his country, that he would abolish this provision in the bill?

Mr. Baldwin: Would the hon. member permit a question?

Mr. Faulkner: I am running out of time. During this debate no mention has been made of the responsibilities of parliamentary secretaries, and there are some experienced ex-parliamentary secretaries opposite who know what those responsibilities are and who are perfectly aware of the history of parliamentary secretaries in our tradition. Instead, we were faced with a blanket charge of greed, self-seeking ambition and all sorts of odious charges which are really unworthy of hon. members opposite. What I find so interesting is how the line of argument has changed.

Mr. McCleave: Do you want us to lobby for you?

Mr. Faulkner: In 1959 this was not the argument hon. members opposite were using. On March 24, a resolution was introduced to the House which I would like to quote.

An hon. Member: Oh, oh.

Mr. Faulkner: Order, please.

Some hon. Members: Oh, oh.

The Acting Chairman (Mr. Richard): Order, please. Hon. members should know that they should not disturb the Chairman when he is reading the Bible.

Mr. Faulkner: Mr. Chairman, I am surprised that you are reading the Bible in the middle of my speech, but never mind.

[Mr. Faulkner.]

Mr. Baldwin: He was reading the section which says "They shall begat—"

Mr. Faulkner: The resolution reads as follows:

> That it is expedient to introduce a measure to provide for the appointment of parliamentary secretaries to ministers, to provide for the payment of salaries to them at the rate of $4,000 per annum out of the consolidated revenue fund and to authorize the re-imbursement to them of reasonable expenses incurred by them in the discharge of their duties.

Some hon. Members: Oh, oh.

Some hon. Members: Shame.

Mr. Faulkner: That was a resolution introduced in 1959 by none other than the right hon. gentleman from Prince Albert.

Mr. Baldwin: Mr. Chairman, I rise on a point of order. I know that the hon. member is not the kind of hon. member who, despite his party, would deliberately try to mislead the House, but I think the hon. member must agree that that act replaced one which the Liberal government enacted dealing with parliamentary assistants.

Mr. Faulkner: I missed the point of order of the hon. member, but I am advised by the President of the Treasury Board that it was insignificant. However, let me proceed. Now that I have read the resolution and all hon. members are aware of it, let me point out that what is more interesting than that simple resolution is the argument that was developed by the right hon. gentleman in defence of the resolution. I think his arguments are dead on. It is not often that I agree with him but this was one time in a debate when he was absolutely dead on. I am surprised that he did not employ the same arguments in the debate dealing with the bill before us. As recorded at page 2186 of *Hansard*, in defence of the resolution providing for parliamentary secretaries and their emoluments he said:

> Our purpose is at all times to improve and strengthen Parliament as an institution; to make possible an opportunity for members in various parts of the country to learn of the operations of the departments and to participate in a specialized manner in doing those things which are allotted the departments—

Mr. Baldwin: We had members who were capable of doing it.

Mr. Faulkner: I would like to continue reading what I consider to be quite a relevant quotation. It continues:

> After all, the major question is to keep Parliament in a position of not being unchanged and unchangeable.

That was the justification and that, of course, is precisely the justification being used today. He had more to say as follows:

> We maintain ancient traditions; we change to meet those changes that come about through the complexities of modern government.

• (2:40 p.m.)

> We change some of the forms, but maintain the mandate. We alter, to meet altering conditions, the techniques of Parliament. We do not change the great abiding things that have remained with us as our legacy from the generations past.

The Acting Chairman (Mr. Richard): Order, please.

Some hon. Members: Carry on.

The Acting Chairman (Mr. Richard): Does the House agree to allow the hon. member to continue?

Some hon. Members: Agreed.

Mr. Faulkner: I am very grateful, Mr. Chairman, and I will only be a few minutes.

Mr. McGrath: Now, you have another 20 minutes.

Mr. Faulkner: The arguments which were relevant in 1959 in support of the very useful initiative of the Conservative party are equally relevant in 1970. Probably even more so, since the calibre of appointees is higher.

Some hon. Members: Hear, hear!

Mr. Faulkner: I got a lot of support there from the parliamentary secretaries.

Mr. McGrath: You didn't get any from your predecessor.

Mr. Faulkner: It appears to me to be somewhat curious that the arguments have changed over a period of some ten or eleven years. I don't want to use up any more of the time of this chamber, Mr. Chairman, because I am sure that after this convincing intervention there will be a disposition to take the vote.

Some hon. Members: Hear, hear!

Mr. Francis: Vote.

Mr. Faulkner: I want to repeat that it does seem that the argument about the bill as a threat to Parliament, and as a threat to our institutions amounts to nothing more than arrant nonsense, and that these charges are presented with synthetic indignation. We should call it what it is at this point, shameful and shameless obstruction of government business. I think the opposition will be held accountable for it when they meet the people.

An hon. Member: When is that?

Mr. Faulkner: In my view, Parliament deserves much better from the opposition than we are getting and have heard during the past 17 days.

Some hon. Members: Hear, hear!

Mr. Baldwin: Mr. Chairman, the hon. member indicated he would accept a question and I have a very simple one. In view of the fact that the same members on the other side have sat all through this debate, are we to assume that they are the candidates for ministers of state and parliamentary secretaries?

Mr. McCleave: Mr. Chairman—

Mr. Boulanger: On the same point of order—

Mr. Baldwin: It was not a point of order.

Mr. Boulanger: On the same point of order; wouldn't you think that after inviting us to speak, the opposition would have had enough for their money for a few days? They realize how good we are now.

The Acting Chairman (Mr. Richard): Order, please. I don't think questions of order of that type should be directed to the Chairman, who, after all, is an innocent bystander not seeking any particular honour.

Mr. McCleave: Mr. Chairman, I think the strength of our parliamentary institution has been well proven in the last couple of days. We are strong enough to withstand the last question; we are strong enough to withstand the last speech; we are strong enough to withstand the fact that one side of this chamber decided a couple of days ago that the other side should not be allowed to speak. In our turn, however, we would permit the parliamentary secretary to continue his speech.

Some hon. Members: Hear, hear!

An hon. Member: You are all heart.

Mr. McCleave: We are all heart, we are all democracy, we are all soul and we are going to make this institution work despite the efforts of hon. gentlemen opposite to turn it into a computerized 1984 type of operation.

Some hon. Members: Hear, hear!

Mr. McCleave: I don't have to pay much attention to the odour of those who are preaching for higher calls to know that we are heading exactly in the right direction when we criticize this bill. I rise from higher motives than simply to cast aspersions—

Some hon. Members: Oh, oh!

Mr. McCleave: —on the preachments of those opposite. I rise to speak on Bill C-207, an act respecting the organization of the government of Canada and matters related or incidental thereto. I rise from the rather special position of having been the first person in the House to speak on this particular measure, to cast doubts on the way it was presented to us.

An hon. Member: What date was that?

Mr. McCleave: That was so long ago that my hon. friend opposite has now about ten more grey hairs and by the time he goes back to his constituents to try to explain it he will be completely bald. I rise to carry on the point I made then, that this is seven bills in one. I am not even going to touch on the part that deals with parliamentary secretaries and this should please my hon. friends opposite very much. Within the time allotted to me, I am going to deal especially with Part IV which refers to ministries and ministers of state. On its face, Bill C-207 bears the sponsorship of the Prime Minister of Canada.

Mr. McGrath: Where is he?

Mr. McCleave: The hon. member for St. John's East has asked where the Prime Minister of Canada is today.

An hon. Member: Read the newspaper.

Mr. McCleave: The right hon. Prime Minister of Canada, who sponsored this bill, has never spoken on it in this House, but he has answered some questions about it during the question period. I shall refer to them later. Mr. Chairman, this is the first time I have known of any newlywed in Canada to visit Niagara Falls without his wife.

Mr. Boulanger: That is not very funny.

Mr. McCleave: It is not very funny, Mr. Chairman, and I am glad somebody is speaking up for the wife of the Prime Minister today.

Mr. Boulanger: From a socialist I would expect it.

Mr. McCleave: I could finish the second, third and fourth parts of my speech if necessary at a future time without being interrupted by the hon. gentleman opposite.

I think it has to be pointed out over and over again to the House of Commons and the people of Canada that this is the first time in my memory a bill has been debated so long without the presence of the person associated with it. That is rather unusual, and since the bill involves the reorganization of the government of Canada, I think we should have some indication of the thoughts of the right hon. gentleman from Mount Royal on it and his ideas about the organization of the government which he heads. Be that as it may if we don't get his views now perhaps we will get them at some other time.

I am going to deal, Mr. Chairman, with Part IV which refers to ministries and ministers of state, and I will not be drawn into a discussion of the question of parliamentary secretaries. However, I should be glad to answer the hon. member for Peterborough on that at a future time. Last week or the week before in this chamber, the hon. member for Prince Edward-Hastings asked the Prime Minister a question about the ministries of state and I followed with a supplementary question. The answers clearly showed the Prime Minister envisioned that the housing and urban affairs policy of his government would be established by the creation of one ministry of state, that the science policy of this government would be established by a second ministry of state and, according to a speech by the Minister without Portfolio in charge of housing, that possibly matters under the aegis of the Royal Commission on the Status of Women would be the responsibility of yet another minister of state. This accounts for three of the five ministries of state.

• (2:50 p.m.)

I should like to repeat in committee this afternoon a question I asked the other night which was answered by the Parliamentary Secretary to the Prime Minister. Now, the Parliamentary Secretary to the Prime Minister is an engaging chap, and I think he was struck by my point, but he could not answer on behalf of the government, nor could any minister and the Prime Minister himself was not here. The question was this: Are we to take it that whenever there is a vacuum in the ministry, that the vacuum can be filled by an ex parté action, so to speak, taken by the Prime Minister and his government? I say that is exactly what this House is being asked to approve when it approves part IV of this measure. In other words, immediately after this measure is given royal assent the right hon. gentleman can set up his ministry for housing and urban affairs. No one in this chamber will have the right to stand up and say that this or that should be in the legislation, or that certain powers should be given to the minister and certain powers withheld. It is as simple as that, Mr. Chairman. Don't you think it is important and does not anybody on the government side think that this is important? Does no one in the opposition think that this is an important matter?

An hon. Member: I do.

Mr. McCleave: I ask, why have we not, in this debate, concerned ourselves with urban affairs? The Prime Minister told the House that he wishes to set up a department dealing with urban affairs. Oh yes, we all buy esoteric theories and listen to guff and probably talk a lot of guff; but we do not talk about the things that concern Canada and the urbanization of this country. Would it not be a pity if, without debating urban affairs, we passed this bill and thereby gave some fellow in the ranks of the government who was preaching for a call the right to set up a department of urban affairs which might possibly contravene the provisions of the British North America Act relating to federal responsibilities. Urban affairs constitute the fastest growing problem within our nation. Should we not be debating that subject now? Heavens above, Mr. Chairman, if we do not debate the subject, how can we even go back to our people and say that we had the gall to represent them in Parliament? How can we say that if we allow this opportunity to slip by? I say to the Prime Minister that this particular debate ought to be an urban affairs debate.

Some hon. Members: Hear, hear!

Mr. McCleave: The right hon. gentleman also said that science policy would be subject to a pronunciamento from the government. Which hon. member would he pick to guide our science policy? I see two hon. members who, in my opinion, might perform this task adequately. Should not they and others on the government be listening to what we on this side say? Should they not listen to our opinions? Are we supposed to crouch in some miserable position, and forget that we are in Parliament. Oh, come on now. The hon. member who suggested that we are spending too long on this debate may wish that we had spent 1,000 days more on it if he wishes Parliament to remain in being. The Minister without Portfolio who I suppose has responsibility for the recommendations of the royal commission on the status of women, if anyone can be said to be in charge of them, has suggested, I think, that the subject of women should come under the portfolio of one of the new ministers of state. Will this mean that the hon. member for Vancouver-Kingsway, the only woman in the House, will be included within the responsibilities of that portfolio.

An hon. Member: She can look after herself.

Mr. McCleave: Are the rest of us in this House not to say what sort of jurisdiction that minister will have?

Some hon. Members: Oh, oh!

Mr. McCleave: Is that what we have come to in this Parliament? Is none of us to be allowed to express his opinion on subjects like housing and urban transport, the area in which we face some of our greatest problems?

Mr. McGrath: Don't forget Information Canada.

Mr. McCleave: Are we not to be allowed to speak on science policy? The committee of the other place studying this matter had volumes to say on the subject, and did not show in any favourable light any government going back as far as 1935. I am trying to make my remarks as broad and as non-partisan as possible, you see. It showed all governments in a bad light; science policy, like Topsy, has been allowed to grow and grow. It is as simple as that, Mr. Chairman.

Once in a while I have tried to be non-partisan in my speeches, although this afternoon I have been partisan. Sometimes I make suggestions which may not be valid until ten or 15 years have passed. At any rate, I have tried to make suggestions to the best of my ability. I say that this is good or that is bad and, somehow, we reach a consensus. Apparently, we are being told at present that the computer knows what is good and that we need not trouble ourselves about some matters. Oh, no, Mr. Chairman, that is not good enough. If that is what Parliament is to be all about then, for goodness sake let us put it in the form of a resolution so that some of us can get out while there is still time and preserve our sanity.

Let us look, specifically, at how ministers of state are to derive their powers. The hon. member who preceded me mentioned clauses 14 and 15. I shall read clause 14:

> Where it appears to the Governor in Council that the requirements for formulating and developing new and comprehensive policies in relation to any matter or matters coming within the responsibility of the Government of Canada warrant the establishment for the time being of a special portion of the public service of Canada presided over by a Minister charged with responsibility for the formulation and development of such policies, the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

If I may, I should like to mention something relating to my home province. If we are to be parochial in our thinking, let us at least talk about the environment from which we began our careers. When the Fathers of Confederation sat down together over 100 years ago, they did two things which now appear to be self-contradictory. If oil is discovered in commercial quantities off the coast of Nova Scotia, it will be seen that the positions of the Fathers of Confederation were contradictory indeed. The British North America Act provides that the boundaries of the province of Nova Scotia shall remain as they existed before confederation. If that is so, then the boundaries of Nova Scotia clearly extend to Sable Island, that spit of land cropping out in the Atlantic which has swallowed up so many ships and lives. Later, when defining the responsibilities of the Parliament of Canada, the British North America Act, in a subsection of section 91, provides that the Parliament of Canada is to have exclusive jurisdiction over aids to navigation and the like. Sable Island is specifically mentioned. In my opinion, two parts of the British North America Act are contradictory. One part indicates that the province of Nova Scotia is to retain the jurisdiction it exercised over the territory that was Nova Scotia before the coming into effect of confederation, which brings in Sable Island.

The old maps show Sable Island. Nova Scotia, before confederation, had to provide navigation safeguards with respect to the island. But, another part of the British North America Act provides that the federal government or the Parliament of Canada shall have exclusive jurisdiction in certain areas. It mentions navigational safeguards, and specifically mentions Sable Island. I do not know how one can resolve this contradiction. I presume that the provisions of this subsection would not affect earlier sections of the British North America Act. Be that as it may, I submit that because Sable Island is specifically mentioned in the subsection I have just mentioned, the government could establish a ministry charged with responsibility for Sable Island, if I read clause 14 correctly.

An hon. Member: They have horses there.

Mr. McCleave: Yes, there are horses there, but they are not horses on the payroll.

Mr. Schumacher: Not yet.

• (3:00 p.m.)

Mr. McCleave: Be that as it may, we would never have the opportunity to talk about that matter until it was either decided in court or the estimates of the particular ministry came before us. We would never be able to give the flavour of our opinion on what should be established under that ministry of state, and that is completely wrong. The purposes of the government would be better served if they took any one of these matters and allowed members of the opposition and the government to speak about what they think the legislation should contain. I say to the President of the Treasury Board that we should be told government thinking in this regard because it would play a large part in helping us make up our minds and conducting the debate. It is as simple as that. I make that point as seriously as I can.

I only have four or five more minutes in which to speak. I have three quotations I would like to put on the record. If I do not have enough time, perhaps I could yield to someone else and do this at a future time.

Some hon. Members: Carry on.

Mr. McCleave: The quotations are from a debate in the House of Commons in London on November 19, 1964. The debate was on second reading of the machinery of government bill. I will put these quotations on the record as quickly as I can. I quote from the speech of Mr. Selwyn

Lloyd which appears at page 655 of the record of the debate:

> In our view, changes in the machinery of government should be made after and not before discussion in Parliament, for the very good reason that such matters fall for the judgment of right hon. and hon. members not just as party men or women, but as individual Members of Parliament, custodians of its traditions and rights.

In that debate a leader which appeared in the London *Times* about the advantages of the extra ministries and the argument for extra parliamentary secretaries was quoted. This was quoted by Mr. Lloyd, at page 663, as follows:

> The present rule, which was re-enacted after deliberation only seven years ago, makes 70 the upper limit. Mr. Wilson will have 83 salaried members of the government on the benches with them. Add to that the unpaid whips and the usual bevy of parliamentary private secretaries and the number of MPs attached to the government will be between 130 and 140, not far short of half the parliamentary Labour Party.

Of course, their numbers are much more than ours.

> If this is to be the practice in the future there simply will not be enough ministerial backbenchers of the capacity and independence required to man the committees which ought to be keeping watch on policy.

I will not read the final quote: I do not think I can compress it into a moment or two. In conclusion, I suggest to the Prime Minister, not by way of fighting words but as kind advice, that it would be better to get our advice when establishing new ministries. There may be a long debate at the start, but there will be shorter debate after the ministries are established. I thank the committee for its indulgence.

Mr. Alkenbrack: Mr. Chairman, the right hon. member for Prince Albert rendered this House a great service in speaking on Tuesday with his devastating analysis of Bill C-207. I was delighted to see that his message appeared to be getting through to the backbenchers and even a few frontbenchers across the floor. I listened with interest to the discourse and representations of the hon. member from Peterborough a few minutes ago, preaching for the preservation of his present position as Parliamentary Secretary to the Secretary of State.

An. hon. Member: He already has the position.

Mr. Alkenbrack: I said he was preaching for the preservation of his present position of Parliamentary Secretary to the Secretary of State. We listened to his speech with certain reservations because he has a conflict of interest.

Most hon. members call this an omnibus bill. I think most members know the meaning of the word "omnibus." With the Prime Minister's liking for the romantic, and travel, it will take a very large omnibus to hold all the new ministers of state and parliamentary secretaries at one time. There is now new hope for the SST jumbo jet program recently cancelled in the United States. It will take one of these huge planes to carry this expensive throng. The planes now at the disposal of the Prime Minister will be made obsolete by Bill C-207 if he wishes to take his cabinet with him.

[Mr. McCleave.]

Cracks are beginning to show up in the government wall, a wall that many of us had come to believe was invincible. When men lose their taste for debate and lack the courage to stand up and oppose, then the leader of such men can indeed become invincible. Despotism must have support. No despot has ever ruled on the strength of his own initiative or his own character. He must rally men around him who are willing to be used as pawns in a cruel game designed to systematically rob the people of their heritage. But cracks are now showing up in the wall, Mr. Chairman, and the great one-man show across the floor is nearing the end of the last act. The curtain will be rung down on the sorriest melodrama ever played in this House. As result of the railway engine drivers' strike, the only thing moving in Canada today is the Liberal gravy train.

Some hon. Members: Oh, oh!

Mr. Alkenbrack: Members opposite may shout and jeer, but it is true. Everything else, employment, the CNR, the CPR, western grain and potash shipments, British Columbia lumber—are any government members from British Columbia present?—Consolidated Smelters, at Trail, B.C., and Hudson Bay mining at Flin Flon have all stopped. They are either dormant or dead, but the Liberal gravy train rolls merrily on.

Some hon. Members: Hear, hear!

• (3:10 p.m.)

Mr. Alkenbrack: Does the Prime Minister and his supergovernment really believe that the Canadian people are going to swallow one bitter pill after another, without ever calling him to account? The Prime Minister is custodian of the public purse, public welfare and Canadian institutions. There seems to be an assumption on the other side of the House that the Prime Minister can transcend all the rules of procedure and all the traditions which have been developed and nourished in the Canadian Parliament over the last 100 years. He is the sponsor of the bill before us, yet he has not been present at any of the debates in connection therewith.

There seems to be a misconception in the minds of those on the other side of the House as to just what is the role of the Prime Minister. There is surely some confusion as to whether or not the Prime Minister is even a mortal man. The Prime Minister does not own the public purse. He does not own the Canadian people. He does not own the institution of Parliament, all rumours to the contrary. The Prime Minister has confused his sacred trust with outright ownership. I go on record as informing him that he does not hold clear title to anything in Canada except his own personal property, like the rest of us. Parliament and the Canadian purse are the property of the Canadian people. The bill we are now debating makes the dangerous assumption that the Prime Minister is free to disburse funds at pleasure. It makes the assumption that the Prime Minister can dip into the public purse to reward obedience and servility on the part of his loyal subjects on the benches opposite. No Prime Minister in the history of Canada has ever

approached the august chair of chief minister with such total disregard for the responsibilities which are traditionally accepted and discharged by the holder of that high office.

All of us in this House know that the office of Prime Minister carries with it implied privileges which are not accorded to other parliamentarians. There are also responsibilities connected with that high office which do not have to be assumed or discharged by any other Canadian. Tabling legislation in this House in the sure knowledge that a clear majority of members supporting the government will ensure its passage is not a privilege; it is a responsibility. When a government holds a clear majority it is a public trust as well as a responsibility for the Prime Minister to ensure that the legislation tabled by him does not transcend the established limits of authority vested in him by the Canadian electorate.

Bill C-207 is a complete rejection of the responsibility assumed, presumably in good faith, by the Prime Minister. It constitutes a clear denial of the sacred trust vested in his high office; and I am prepared to challenge him to take this bill to the Canadian people by way of a referendum. If it is so important to him to have these super powers, let him get them directly from the people by their consent and I shall not complain. But he knows, as we know, Mr. Chairman, that the Canadian people would reject him and his preposterous demands out of hand. There is no justification for the powers the Prime Minister seeks in the bill before us. A Prime Minister who cannot govern with the largest cabinet in the history of this country is not likely to do any better simply by expanding it still further. Adding pomposity to the present Prime Minister's arrogance is not likely to get us better government.

I think the real issue here is that he has come to the end of his string, and I will not be a party to shoring up a weak and confused leader by delivering up the public purse. Nor will I submit to the insidious and arrogant subterfuge which characterizes this bill as being necessary to the preservation of the Canadian environment. We have lots of law on this subject. We have had for 100 years law on our statute books to deal with this situation. Statutes already in force forbid anyone to pollute our streams, our soil and our air. Why not use the laws we already have? Certainly we need an improvement in the quality of the environment—and we intend to get it.

Mr. Drury: Mr. Chairman, I wonder whether I understood the hon. gentleman correctly. Do I understand him to say that since we already have adequate laws to protect the environment, we do not need this new department?

Mr. Alkenbrack: I never said we did not need a department of the environment. My contention is that we do not need to pay such an extreme and unreasonable price for one.

The Chairman: Order, please. This might be an appropriate point at which to remind hon. members that we are considering clause 14. I think it is fair that the debate be allowed to range over part IV of the bill because the clauses are interrelated, but I should point out that the establishment of a department of the environment is dealt with in another part of the bill. I believe we should confine debate now to the issue of the ministers of state.

Mr. Alkenbrack: Yes, Mr. Chairman, but clause 14 is one of the clauses which must be passed if we are to obtain a department of the environment. The other day one of my constituents stopped me on a street in Napanee and asked, "Why do you criticize Mr. Trudeau and Mr. Benson so much; they haven't done anything"?

Some hon. Members: Hear, hear!

Mr. Alkenbrack: I thought that was a very good point. This bill is a sugar-coated pill and the inside of the pill is more bitter by far than anything so far perpetrated here. We on this side are being asked to vote, so to speak, in favour of motherhood and in favour of unrestricted abortion, all with one show of the hand. There is no record of such shameless conduct in the history of Parliament, with the possible exception of the use of closure by a former Liberal government in order to subvert this institution for its own purposes. As was pointed out by my right hon. friend from Prince Albert, if we agree to let the Prime Minister re-make Parliament in his own image we could have a ministry of the environment. I would not willingly give him that kind of power in return for any concession.

I would not be prepared to give the Prime Minister unrestrained powers even if he promised to provide one million jobs in the coming year. The price would be too great to pay, and I would not be prepared to take his word on that score since he has steadfastly refused to reverse policies which have inflicted on our people the highest rate of unemployment since the great depression. As my friend said "he has done nothing".

Why would a Canadian Prime Minister need, or even want, a larger cabinet when he already has the largest, the most cumbersome and the most expensive cabinet in Canadian history? I should add that it is also the largest cabinet in the western world. By way of contrast, the United States cabinet consists of 12 departmental ministers and two non-departmental ministers in the persons of the vice-president and the permanent ambassador to the United Nations, for a total of 14. Great Britain appears to be able to get by with a cabinet of 22 ministers; and Britain has a population of some 55 million people. We are not likely to impress other nations with our assumed pre-eminence or importance by giving virtually every member of the government party a fat cabinet post. I believe we would project an image far different from the one the Prime Minister envisions.

• (3:20 p.m.)

It is obvious to anyone who can think at all that the only way in which a government of such a size could be kept under control would be for the Prime Minister to keep the ministers on a short leash—I think he is doing that now—and force them to wear muzzles. There is no other way in which such a monstrous machine could be piloted and guided by one individual. And, with the

exception of three or four courageous souls, we have seen for ourselves that the ministers and members across the floor are already kept on a short rein. I wonder how much more a man will endure in order to qualify for one of the lucrative cabinet positions being dangled before him.

One former minister now sitting as an hon. member across the floor has exhibited uncommon courage on many occasions since he forsook the financial rewards and the prestige of the cabinet rather than renounce his lofty code of ethics and his personal honour. I refer to the hon. member for Trinity. He placed his duty to his constituents above the rewards of high office, and many hon. members on his side of the House would do well to follow his example. A few days ago that hon. member took his government to task for the disastrous and inhumane manner in which they have mismanaged the national economy. I would like to repeat one of his comments on that occasion. He said: "In my opinion, as a nation we should be ashamed". He was referring to the massive unemployment in our country but his comment applies equally well to the bill we are debating. If we in this chamber, on both sides of the House, allow the Prime Minister to railroad such a bill through this Parliament, then we should all hang our heads in shame.

Not a single member of this House has a moral right to allow the Prime Minister to take unto himself the powers of a reigning sovereign or of a dictator. If we must do this in order to get a department of the environment, then I submit this is too great a price. Nor do we need a minister of the environment alone. We have already seen that this government takes away more than it gives in the downgrading of the Department of Fisheries, at a time when it has never been more important to us to have an effective fisheries ministry and a forceful and dedicated fisheries minister. Foreign nations are raping and depleting our fishing grounds and, in the process, are putting our fishing and fish processing industries in jeopardy. Scientific effort in the area of inland and offshore fishing technology and fisheries protection should be accelerated—

The Chairman: Order. I appreciate that the debate on this clause has been very wide and I hesitate to interrupt the hon. member, but I think I have a responsibility to ask him to try to be as relevant as possible to clause 14, or at least to part IV of the bill. With respect, there is nothing within the purview of the committee this afternoon relating to the matters with which the hon. members has been dealing.

Mr. Lundrigan: On a point of order, Mr. Chairman, clause 14 deals with the creation of a number of ministers of state. In this bill the government is also downgrading the role of the fisheries and eliminating from the roster system of the House one of the most important portfolios in the government. Surely the hon. member's remarks are relevant. As a matter of fact, I hope to be able to make three or four 20-minute speeches on the point the hon. member is now making. I submit that his argument is certainly within the purview of clause 14.

[Mr. Alkenbrack.]

The Chairman: The hon. member for Frontenac-Lennox and Addington.

Mr. Alkenbrack: Mr. Chairman, I remained seated because I fully expected you would be making a ruling on the hon. member's point of order.

The Chairman: I am prepared to make a ruling. I think generally I agree with the hon. member. If the hon. member who now has the floor is relating his remarks to the creation of a new ministry, or at least the designation of a ministry of state for the purpose of fisheries, or for the purpose of youth, and so on, as many hon. members have already done in this debate, then I think there is relevancy in his remarks.

I have not tried to hold any hon. member too closely to the subject, but with respect I think the hon. member who has the floor and who is making a very good contribution was not previously completely germane to the clause. But I think he will be now.

Mr. Alkenbrack: Thank you, Mr. Chairman, for your vindication of my statements. I was just saying that a scientific effort in the area of inland and offshore fishing technology and fisheries protection should be accelerated under a fully-fledged ministry, not downgraded. This is but one more price we are expected to pay for the department of the environment, and the price is too high.

The clause that would create the department of the environment has been called the motherhood clause and we are told that if we refuse to let the bill go through we will be accused of being against the preservation and improvement of our environment. I disagree heartily, Mr. Chairman. I call that clause a red herring, and I support the view of the right hon. member for Prince Albert that the clause should have been submitted to this House as a separate bill in order that it could receive adequate study and attention and the support of all parties in the House.

It would be a sad occasion, and it would be the low point in the history of this Parliament, if this bill should ever be enacted into law. If that should happen, then the day on which it is proclaimed should be declared a national day of mourning, which should be observed on that day in each succeeding year as a reminder to the Canadian people that the sacred institution of Parliament was lost to them for all time by default. It will do everything within my power to alert the people to the danger that threatens the future of their institutions and their birthright if this bill becomes law. Bill C-207 is an arrogant attempt to subvert Parliament and to vest suppressive power in the office of the Prime Minister. I will do everything in my power to rouse my people to righteous indignation against this giant step in the direction of dictatorship.

Mr. Schumacher: Mr. Chairman, we have heard some very interesting interventions in this debate on part IV of the bill. I was particularly interested in the intervention of the hon. member for Peterborough who so far has been the only member on the government side to contribute to the debate today. He seemed to indicate there was

some sort of urgency in this country that required the expeditious passage of this legislation, and I think a word or two should be said on that particular point.

Looking at the order paper, one would not get the impression that there has been a great deal of urgent public business prepared by the government for the consideration of this chamber. It is of interest to note that at second reading stage there are six items. The first is the Yukon Territory minerals bill, the second is the young offenders act, the third the Canada Labour (Standards) Code, the fourth the unemployment insurance legislation, fifth the weather modification bill, and sixth the Northwest Atlantic Fisheries Convention Act. Of those measures, I submit only three have any real substance and are of national importance—the young offenders bill and the two measures standing in the name of the Minister of Labour. In that connection I think even those measures would not take very much time of the House if the government were to indicate some willingness to remove the controversial and overburdening provisions contained in them.

• (3:30 p.m.)

After second reading we have two measures at the report stage. The first is legislation to provide for a grant for a heavy water plant in Nova Scotia. Then there is legislation dealing with weights and measures. On third reading we have the textile bill. So I do not see how the government can indicate it has a great, exciting program which has been held up by the discussion on this very important piece of legislation. In respect of part IV of the bill which is before us this afternoon, which is the proposal to create five new ministries of state, I would like to ask the government why we should consider increasing the size of this country's cabinet at this time.

Reference has been made to the size of the cabinet in the United Kingdom and the cabinet in the United States. I think it is of interest that in his state of the union address, the President of the United States proposed a reduction in the size of his cabinet. I should like to refer to an article by Lubor J. Zink in the Calgary *Herald* of February 19, 1971. The article states:

> Paradoxically, Mr. Nixon says he can do with fewer cabinet ministers while Mr. Trudeau says he needs more.
>
> Calling for a "sweeping reorganization of the executive branch" in his state of the union message last month, Mr. Nixon proposed to reduce the present 12 cabinet departments in Washington to eight.

We have 29. The reduction in the United States is a one-third reduction in the size of the cabinet. The article continues:

> This, he said, we needed "if the government is to keep up with the times and with the needs of the people."
>
> Mr. Nixon wants to retain unchanged four of the existing departments (state, treasury, defence and justice) which have clearly defined and indispensable roles, but seeks to consolidate the remaining eight into four which would be responsible for human resources, community development, natural resources, and economic development.
>
> "Under this plan," Mr. Nixon said, "rather than dividing up our departments by narrow subjects, we would organize them around the great purposes of government. Rather than scattering responsibility by adding new levels of bureaucracy, we would focus and concentrate the responsibility for getting problems solved."
>
> It's an imaginative and bold attempt to end the buck-passing paper-pushing practice among proliferating federal agencies which, Mr. Nixon said, have created "hopeless confusion for form and function."
>
> No doubt the entrenched bureaucratic empires and their political protectors in Washington will fight Mr. Nixon's sweeping reorganization program tooth and nail.

I suggest that Bill C-207 interests the bureaucracy in this country because, after all, if there are to be up to five new ministries there will have to be supporting staffs. I think the comments of the editorialist in the Calgary *Herald* of February 18, 1971, are of interest here because a year or two ago we had a good program announced by the Prime Minister in which the public service was to be controlled and cut by 25,000 persons, as I recall the announcement of August, 1969. When all the smoke cleared we found that perhaps 300 people actually had been removed from the public service. In any event, that program has fallen by the wayside because now I believe there is a proposal to increase the public service by 8,000. I would quote from the editorial in this regard:

> The great program to reduce the civil service in numbers is being replaced by a great new round of hiring. There is an allowance for hiring an additional 8,000 civil servants. This is one way to reduce unemployment, but it cannot be considered productive nor a realistic way of enlarging the nation's work force.

I suggest, Mr. Chairman, if there are to be new ministries there cannot help but be a larger supporting staff and I do not see any demonstrable need for such staff at this time. There certainly is no evidence that any member of the present administration is over-worked. We have a situation in which the Secretary of State I believe is now sojourning around southern France, and the Minister of Indian Affairs and Northern Development is travelling around the South Pacific in a Boeing 707.

The ambitions of the Minister of Labour are a little less grandiose: he has gone to Montreal. I suppose he is working there in an effort to solve the transportation problem in this country. The locomotive engineers have been without a contract for ten months or more. This is a field of endeavour which is completely under the government's jurisdiction. If we have such an effective and hard working Minister of Labour, I wonder why in the past ten months he was not busy encouraging the parties to reach a contract instead of waiting for a strike to develop before doing anything and going where the action is.

An hon. Member: The next thing we know, you will suggest the whip.

Mr. Schumacher: What whip?

An hon. Member: A whip to beat them into submission.

Mr. Schumacher: I would like to see some of them earn their pay. Perhaps you want them to be like the minister of communications now that the Post Office has been removed from his jurisdiction. What conceivable reason is there for that man to be sitting on the treasury benches

and pulling down a full-fledged cabinet minister's salary? Yet you want to add to the number. This administration has demonstrated that it is unable to organize its affairs on a rational basis. We find that the Minister of Citizenship and Immigration is also responsible for the Wheat Board, and neither function is being discharged in a proper way. Recent immigrants to this country have advised me that while in theory the new immigration system may be fine, in practice it is not working. It has been pointed out to me that in practice a great number of immigrants to this country are unskilled and have nothing to contribute to the country except problems both for themselves and for the country.

An hon. Member: That is not true.

Mr. Schumacher: It is true. We are getting people in our country at this time whose only asset is muscle. This is not what is required by Canada at this time. It is perfectly obvious that the minister does not understand how the grain should be moved in this country. We find a situation where the train engineers started booking off sick last week on the west coast in protest against the long delay in respect of a solution of their problems. Now a week has gone by and certain grades of wheat are not on hand. Certainly the terminal facilities at Vancouver should be used in a better manner. Yet the minister says he must keep the amount of grain in storage at a low level so that there can be efficient handling. I say the fact is that he does not want to pay storage on the grain.

The government talks about the creation of new departments and we are told that these new ministers are needed to formulate policies and programs. What is the Privy Council office doing? What is the Prime Minister's office doing, and what are the senior planning executives of the departments doing, if we are not getting the required planning and formulation of policy and need more ministries?

• (3:40 p.m.)

Mr. Dinsdale: They are running in different directions.

Mr. Schumacher: I would also ask why the government should be allowed to establish departments at will. This is an indication, to me, that this government has no understanding at all of the parliamentary system of government.

Some hon. Members: Hear, hear!

Mr. Paproski: They are like a football team with no quarterback or coach.

Mr. Schumacher: They are unduly influenced by the presidential system. They will not accept the fact that we have a combination of the executive and legislative branches within one chamber and that the executive branch's responsibility is to the legislative branch. They want to have a clear hand at organizing the executive the way they see fit. This also flows from their feeling that just because they had the greatest number of people elected in the last election, whatever they say goes—without any consideration for the people who did not necessarily support their party in the last election. They should remember that while they may have 154 members and the majority of seats here, they did not receive a majority of votes in the country and that they have certain responsibilities to those people.

In this country we may elect our dictators, but we should not be acting under that principle. The desire to have the right to proclaim new departments without reference to Parliament is just like the desire of the government to set the time for discussion in this place. It is the same type of thinking that produced rule 75C that is behind this bill, where they want this House to delegate absolute power to the executive to proclaim new ministries without further reference to this chamber—ministries that are supposed to be parts of this chamber.

The government has forgotten that we have a parliamentary system and think they are already operating under a presidential system. The roster system is another example of this. As hon. members on this side have pointed out in the last three years, the government has no right to set up a roster system which relieves attendance in this House when members are present in the city of Ottawa. They forget their responsibilities to Parliament.

It is important to members of this House, perhaps more to some than to others, to remember that this parliamentary system is one of the bulwarks protecting the Canadian identity, and that if we further reduce parliamentary processes so as to implement presidential processes we will be reducing more and more our reasons for a separate Canadian identity. I think hon. members from the province of Quebec should be particularly conscious of this fact, because if we adopt presidential processes and make ourselves look more like the Americans, we will also, with the pressure of their presence already on this continent, tend to become part of the United States. If we look and act like them in everything we do, we may as well have their standard of living and become the real thing rather than a pale imitation. So I think it is very important that we stop going along this road toward a denial of the British parliamentary system for some sort of presidential system which would give us the worst of both systems.

Mr. Baldwin: Mr. Chairman, I am glad to rise again this afternoon. Because hon. members opposite knew I was going to speak, they gathered here in large numbers today.

Mr. Jerome: I just want to interject for one moment on a point of order, Mr. Chairman. There has been discussion about a couple of measures on the order paper pertaining to a government measure and to a measure under the name of the hon. member for Timiskaming, a private member's bill. The government measure, Bill S-11, deals with rainmaking equipment, and the bill in the name of the hon. member for Timiskaming also deals with this subject.

I make this suggestion, which I think will meet with unanimous consent of the House, that just prior to four o'clock the House might be disposed to pass, without

debate, Bill S-11 on second reading and refer it to the committee and, furthermore, might be disposed to give unanimous consent to drop from the order paper the bill standing in the name of the hon. member for Timiskaming but refer the subject matter of the bill to the committee at the same time. I thought I should inform Your Honour of this prior to reaching private members' hour at four o'clock. When the hon. member for Peace River is ready, perhaps we could do that and call it four o'clock.

The Acting Chairman (Mr. Richard): The Chair has taken notice of this suggestion, but it will have to be made when Mr. Speaker is in the chair.

Mr. Baldwin: I would be quite willing to take my hon. friends away from the land of milk and honey in which they have been recently, and if Your Honour wishes to assume the chair at this time I will reluctantly forgo my opportunity to make further comments on this bill. The suggestion of the parliamentary secretary is perfectly agreeable to me.

The Acting Chairman (Mr. Richard): This will have to be done at four o'clock when Mr. Speaker is in the chair.

Mr. Baldwin: Do I hear an hon. member on the opposite side say it is four o'clock?

Some hon. Members: No.

Mr. Baldwin: I must say the whole thing reminds me of what the great bard said:

> Oh, what a tangled web we weave,
> When first we practise to deceive!

The government, in their attempts to whistle through what they knew were bad, repugnant and objectionable proposals, included them with other measures in respect of which, although this House has had the opportunity to discuss them in a sharp and spirited way, there has been no disposition to prolong the debate. But on these particular measures the government proceeded, in spite of the clearest warning from this side of the House that these two particular parts of the bill were obnoxious and objectionable and would be opposed. When I hear the hon. member for Peterborough stand up and say that we were wrong in taking the time we have in discussing part IV of this bill, may I point out that he is not entitled to do so because we filed a caveat and made absolutely plain what we intended to do.

I say to the President of the Treasury Board that if he does not like it, he knows what to do. There is Standing Order 33 available to him any time he wants it. I will let him look at the Standing Order, but I will inform other hon. members that it is the rule with regard to closure. If the government does not like the fact that we are taking time, which we feel is our duty as responsible members of this House and as members of Her Majesty's Loyal Opposition, in opposing this measure, they have a recourse which is available to them under the rules.

Mr. Boulanger: Yes; but filibustering is another matter.

Mr. Baldwin: This is not filibustering; it is an opportunity to awaken the country to the dangers of this measure.

Some hon. Members: Oh, oh!

Mr. Baldwin: We have been discussing this matter for 17 days, but how many letters have hon. members opposite received? We have spent an extremely limited amount of time on this part.

• (3:50 p.m.)

An hon. Member: You were not here.

Mr. Baldwin: Let hon. members read the digest *Hansard* with regard to the debate on this particular part of the bill. Let me tell them we intend to make progress. We intend to stick to our guns, to see that the country is informed through the aid of those people whose duty it is to report intelligently, as I am sure they will, the debates in this House with respect to this issue. We intend to make certain that the people of this country, suffering under the misdeeds of a tyrannical and oppressive government, with heavy unemployment and with the cost of living going up, will look at this cause and the other causes which follow it and see them for what they are, until the volume of mail which flows to members of the opposition and, hopefully, to members of the government will be such as to compel the government to withdraw the bill.

Having disposed in those few sentences of the contribution of the hon. member for Peterborough, I want to turn my attention to the President of the Treasury Board whose remarks in connection with this part of the bill at second reading stage have been reviewed by many. I was not here at the time the minister made those remarks on second reading, but having read them since I wonder from what ancient barrel he dredged-up the material with which he made his speech at that time. Talking about ministers of state, the President of the Treasury Board had this to say, as recorded at page 2769 of *Hansard*:

> In essence, the government organization bill deals with the constant challenge facing Parliament and the government to be as efficient as possible—

God help us!

> —in doing those things which are in the interest of the Canadian people and society. This challenge is imposed upon us by the rapid changes taking place today, and our response in this regard must be positive. Both Parliament and the government must be flexible;—

I don't know what this bill has got to do with Parliament.

> —both must adapt their procedures and structures; and in the final analysis, the test is whether they are continuing to respond effectively to the needs of the society and of the world with which they must deal.

As recorded at page 2771, the minister went on to say:

> We in Canada have a somewhat more restrictive tradition.

The minister there was referring to the method by which ministers are appointed and selected, and departments established, in the United Kingdom.

> Fundamentally, of course, the prerogative vested in the Crown to establish ministerial offices and fill them remains as untarnished here as it ever was.

I disagree with that statement. The minister is saying—this is the gist of the argument he made previously and has made since—that this bill, so far as it deals with the appointment of ministers of state and the establishment of ministries of state, is only restoring to the government the rights which it held with regard to the prerogative of the Crown as it existed in earlier times. The minister should see the show "Cromwell." Maybe he has seen it already.

Mr. Drury: The bill is to limit that prerogative.

Mr. Baldwin: Maybe the Prime Minister saw a preview of "Cromwell" some months ago, before the show came to this city, and that is why this bill is before us. But the fact is that there is no more prerogative right left in the Crown to establish ministries, as the President of the Treasury Board seems to suggest. He was saying in his statement on January 26, and I quote it again:

> Fundamentally, of course, the prerogative vested in the Crown to establish ministerial offices and fill them remains as untarnished here as it ever was.

Mr. Drury: "Ministerial offices."

Mr. Baldwin: I disagree totally with that statement. I take issue with it. It cannot be substantiated. It must be taken subject to the general common law and statute law that the prerogative right can be affected by Parliament. Parliament has used that right from the time of confederation in the establishment of ministerial offices, ministers and departments. Once Parliament has seen fit to interfere, to enact legislation as it has enacted it, the prerogative right of the Crown is diminished and lost to that extent.

When we read the various government organization acts and the various legislative proposals which established departments of the government at one time or another, there is only one assumption which can be drawn from them, and that is that the prerogative right of the Crown to establish departments has been taken away by Parliament. And what the government wants to do is restore to the Crown this prerogative right. Mr. Chairman, civil wars were fought and parliamentary revolutions have taken place, all of which have settled this question once and for all and beyond any shadow of doubt. That right now remains in this Parliament.

What this bill seeks to do is take that right away from Parliament and give it back to the government. This we shall not permit. This we shall only allow if the government sees fit to impose closure.

Mr. Drury: You have misunderstood.

[Mr. Baldwin.]

Mr. Baldwin: There was no misunderstanding. I read the minister's remarks quite correctly, and there is no question about them at all. He went on to say:

> This created a problem for Parliament, and for this House in particular, because the accountability of the government to Parliament was much more confused, diluted and imprecise than it should have been.

There is no question about that, Mr. Chairman.

> In other words, Parliament was the weaker as the result of a ministerial system which had failed to keep pace with the demands placed upon it.

That is no excuse for bringing forward a measure of this kind to allow the government the untrammeled right to establish five ministries of state and appoint an unlimited number of ministers of state. I suggest to the President of the Treasury Board that he must seek further to find either constitutional, political or social reasons to justify a measure of this kind. I would like to continue, Mr. Chairman, but I see it is four o'clock, and in view of what has been said may I call it four o'clock?

Mr. Boulanger: Before we call it four o'clock, Mr. Chairman, we have two more minutes left and I wonder whether the hon. member would permit me one question. When he talked about legislative men and businessmen, I would like to know the meaning of the words "sufficiently informed to take a vote."

Mr. Baldwin: "Sufficiently informed to take a vote" is when the members of this House and the people of the country, as a result of the vigilant, praiseworthy efforts of this opposition, are able to find out what has been going on.

Progress reported.

[*Translation*]

Mr. Speaker: It being four o'clock, the House will now proceed to the consideration of private members' business as listed on today's order paper, namely, public bills, notices of motions and private bills.

• (4:00 p.m.)

[*English*]

PRIVATE MEMBERS' PUBLIC BILLS

WATER RESOURCES MANAGEMENT ACT

PROVISION TO ENABLE FEDERAL GOVERNMENT TO CONTROL SEA AND FRESH WATER RESOURCES

Mr. G. W. Baldwin (Peace River) moved that Bill C-36, relating to the control and management of the water resources of Canada, be read the second time and referred to the Standing Committee on National Resources and Public Works.

He said: Mr. Speaker, we have only an hour, so my remarks will not be long; and I am sure members on the government side will not filibuster this bill to the stage that we will not have a chance to vote on it. This bill was drafted and brought forward as a private member's public bill for the reasons set out in the explanatory note. As a member of this House with great interest and concern for the water resources of this country, it is my view that while government proposals were aimed in the right direction and contained some measure of remedial action against pollution and misuse of water resources, they did not go to the root of the issue. In my opinion, the federal government was not given the power it is entitled to exercise in a constitutional sense. The Fisheries Act, the Shipping Act, the Navigable Waters Protection Act and other measures have been on the statute books for a great many years. If this legislation had been used it would probably have been sufficient to prevent a great many of the problems which we and the next generation will have to face.

The official aspect of the problem has been apparent to a great many people in the northern part of Canada, and for that reason this bill was presented to the House. The Navigable Waters Protection Act has been in force for a great many years, since well into the last century. The act contains provisions and sanctions which specifically prohibit certain action with regard to the use of navigable waters. For many years prior to the time it was discovered by Sir Alexander Mackenzie, and for many years prior to that by the native people, the Peace River has been one of the important, main arteries of navigation in northern Canada. Some years ago the province of British Columbia was permitted to erect a very substantial dam on the river, known as the Bennett dam. I have never rejected the need for the proper development and use of water resources in the north for the production of power, Mr. Speaker, but I think it must be done under rules and regulations which take into account what is best for the nation as a whole. This was not the case with this particular dam.

The federal government of the day, a Liberal government, failed to insist upon the province of British Columbia and the hydro agency which was acting as a Crown agency for the government, filing an application under the Navigable Waters Protection Act, filing the plan and a statement of its requirements indicating the amount of water to be impounded by the construction of the dam. The federal government and the provincial government of Alberta of that day failed to consider the possibility that the erection of the dam would cause to those agrarian dwellers below the area where it was constructed, a substantial amount of damage. Construction was allowed to proceed and no attempt was made to compel the province of British Columbia to comply with the Navigable Waters Protection Act.

At the time I asked a number of questions. I pressed the government and the then Minister of Public Works who held responsibility for enforcement of the act. I pressed the Minister of Justice, who said that the works being constructed by the agency of the province of British Columbia were works to which the act applied. I pressed the Minister of Public Works to know whether the government of Canada was proceeding to require the province of British Columbia to file a plan and make application to the department in order to secure permission to proceed under the act. They did not do this, the dam was built and as a result the prophecy of myself and others came to pass. The drainage levels of the river have been diminished. This has happened with the Athabasca delta as well, and it has affected the level in the Mackenzie River navigation system. The result may be permanent damage to future transportation in that area. At the present time we do not know what ill effects it will have.

I could deal with this matter at length, Mr. Speaker, but I know that other hon. members wish to speak and are anxious that this bill receive second reading today. It was for these reasons and because a number of other acts are along the same lines that I introduced this bill. According to the explanatory note, it vests in the federal government the full measure of power which I believe the federal government has to exercise in order to deal with the problems of misuse and pollution of water resources. This is a problem on which we must legislate in the interests of those who come after us, Mr. Speaker. It is not enough for us to legislate for it today; we must legislate for 100 or 200 years hence. The present legislation, while aimed in the right direction, is not adequate and does not go far enough.

I am not suggesting that there is not a role for the provincial government. There is, and there must be, an overriding authority—but that can only be in the federal government. I think it should go a great distance under the existing Constitution. However, if it is found that the existing Constitution does not permit the federal government to go as far as it should in laying down guidelines, then it is for us to alarm the people of Canada so that they will demand that the final and overriding authority be vested in the federal government.

With these remarks, Mr. Speaker, I shall resume my seat. I hope that other hon. members will have the opportunity to make contributions before second reading is given to the bill before five o'clock.

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Mr. Speaker, my purpose in rising to speak on Bill C-36 is to outline the current status of the Peace-Athabasca delta project and show that the federal government is co-ordinating with the provinces and is taking action on that very severe problem. In doing so, it may be helpful if I reviewed very briefly the problem in the delta and the establishment of the federal-provincial task force. I should like to summarize particularly our co-operative project with the provinces of Alberta, Saskatchewan and British Columbia. I shall outline and summarize the objective and design of the delta project and the work presently under way.

• (4:10 p.m.)

Hon. members are aware that low water levels have occurred in the delta for several years. This has resulted

in ecological change to the natural habitat for fish and wildlife, with consequent damage to their populations. The contributing factors to the low water level are low precipitation in the Peace and Athabasca river basins and the regulation of the Peace River by the construction of the Bennett dam.

As hon. members may remember, in early January of this year ministerial agreement was reached between the Minister of Fisheries and Forestry (Mr. Davis) for the government of Canada and Hon. J. D. Henderson, for the province of Alberta, to establish a joint task force which would be responsible for investigating the delta problem. Subsequently, the government of Saskatchewan agreed to participate in the study, and the government of British Columbia to provide technical information on its Peace River regulation. Because the problem lies largely within a national park, involves an interprovincial river and has adversely affected the livelihood of the local Indian population, the federal government has taken the lead in initiating and funding this investigation. Treasury Board has given its approval to the project, its cost and timing. We have hired a competent consultant, Mr. D. M. Hornby of Calgary, as project director. Mr. Hornby has been on the job now since mid-January, operating with a small professional staff out of the Peace-Athabasca delta project office in Edmonton.

The key element in mounting a co-operative intergovernmental effort is effective organization. In this case the task force consists of an intergovernmental liaison team, a technical committee and the project director and his staff. The intergovernmental liaison team has a member from Canada, Alberta and Saskatchewan. The chairman of the liaison is Mr. F. J. Forbes, head of the prairie regional section, planning division, water operation and planning branch, Department of Fisheries and Forestry. The team's function is to provide liaison on questions of policy and administrative matters between the project director and the governments involved.

The technical committee consists of senior personnel from federal and provincial agencies who are responsible for resources management in the Peace-Athabasca delta area. This committee provides technical advice to the project director. Co-operation, a point stressed in the hon. member's bill, among the members of the task force has been excellent. To date the intergovernmental liaison team has met three times and the technical committee has met twice, including a field trip to the delta on March 24, 1971, which was just last week.

The joint federal-provincial technical committee recommended that a staged approach be adopted. The first stage would focus on restoring water levels in the delta by the spring of 1972. The objective for the first stage as drafted for the technical committee is as follows:

Within the Peace-Athabasca delta and Lake Athabasca area to assess, by September 1, 1971, the environmental effects of the future hydrologic regime (with Shrum generating station, Bennett Dam in operation) on the following:

(1) Vegetation pattern
(2) Fish production
(3) Wildlife habitat

[Mr. Corbin.]

(4) Navigation, and
the consequent influence on the socio-economic status of residents, and to recommend what immediate or long-range action, if any, should be taken.

I must stress, Mr. Speaker, that the project is focusing on the immediate problem of restoring water levels by the spring of 1972. Ecologists feel that this is a critical period and that low water levels beyond that time could result in permanent ecological damage in the delta. At the same time, the technical committee recognizes that there are broader environmental issues and long-range implications involved and may recommend additional studies to consider them.

The total estimated cost for the first stage of the project is close to $1 million. Expenditures have been budgeted over a 12-month period ending in March, 1972. The bulk of the expenditure will occur this summer. Expenditure in 1972 will cover the completion of reports and preparation of recommendations for future work. The thrust of the investigations will be ecology, at an estimated cost of $227,000, and hydrology at an estimated cost of $158,000. As noted earlier, the federal government will bear the bulk of the expenditures. Ministerial discussions are under way with Alberta to obtain technical assistance on the project. Also, the intergovernmental liaison team is reviewing the legal aspects of the delta problem.

Having described the Peace-Athabasca delta project, Mr. Speaker, I want to summarize the key developments. First, a project office has been established in Edmonton. The following professional staff for the office has been seconded: a planner from the Department of Fisheries and Forestry, a hydrologist from the water resources division, Alberta Department of Agriculture, and an ecologist from the Canada Wildlife Service; second, a field camp with a capacity for 25 men has been established at Fort Chipewyan; third, a contract was let in early March for an ice-thickness and water-depth survey in the delta. It is a part of the ecological investigations. This work, it is hoped, will be completed shortly. Fourth, contract proposals have been invited for a socio-economic study of the importance of the resources of the area; and fifth, office work is under way on the hydrologic and ecological investigations.

In regard to the purpose of our deliberations this afternoon, Mr. Speaker, which is mainly to assess the need for additional legislation on water resource management, the Peace-Athabasca delta project provides two important conclusions: first, the government in co-operation with the provinces is taking positive action to correct the delta problem; second, the project is evidence that a major intergovernmental effort involving several governments can be mounted quickly under existing legislation. The question then is, what need have we for Bill C-36?

• (4:20 p.m.)

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, the Parliamentary Secretary to the Minister of Fisheries and Forestry (Mr. Corbin) has given the members of the House an outline of what is now taking place under the auspices of the task force to which he referred which is

to deal with ecological and other problems created in the Peace River-Athabasca delta area. Without decrying or downgrading the work which he outlined, I suggest that if ever there was a classic case of locking the barn door after the horse was stolen, this is it. Certainly I would not agree with the conclusion he enunciated in his last sentence, that the proposal contained in the bill introduced by the hon. member for Peace River (Mr. Baldwin) is unnecessary. Nothing is further from the truth. Perhaps it is all the more necessary in light of the experience of the disastrous or near-disastrous results that have become apparent from the construction of the Portage Mountain dam on the Peace River in the province of British Columbia.

As the hon. member for Peace River has said, this whole question has become one of increasing and urgent importance. The drafting of the bill is rather novel in some respects. I do not intend to go into the details of its merits, but there is one point which strikes me as being the key point if I understand his intent correctly. He is suggesting the obvious, that in any river or river basin which is interprovincial, in light of the current situation in this country we have a situation where the constitutional jurisdiction with respect to something being done for the general advantage of Canada must be recognized and brought into play. If this is what the hon. member for Peace River is seeking to do with this bill, then the principle should certainly commend itself to this House.

The story of the development of the Portage Mountain dam, which has been christened the Bennett dam in honour of the Premier of my province, has gone on for years. Some of the key decisions in relation to it were made during the period I was not a member of this House, between 1958 and 1962. I therefore did not have the opportunity to express myself on the subject in this forum. During the period when the basic decisions were being made, the government of the province of Alberta appeared to remain silent and uninterested in what was going on across the western provincial boundary. It should have been obvious to anyone with any knowledge what would happen because of the impact of building that dam to hold back the normal flow of the Peace River. It would not only affect the river within the province of British Columbia but the portion which lies in the province of Alberta and, indeed, the entire Mackenzie River drainage system which, of course, involves the Northwest Territories.

The federal government has jurisdiction over the Northwest Territories. I have always been amazed that definitive, joint action was not taken at that time by the government of Alberta and the federal government to make it clear to Mr. Bennett that in the national interest he must be called upon to recognize that something was involved which went far beyond the boundaries of one province and, therefore, directly or indirectly affected all the people of Canada.

I have a bill on the order paper which is not unrelated to the subject matter of Bill C-36. My bill is C-105, to amend the Navigable Waters Protection Act. By the simple addition of one section to that act, it will state "This act is binding on Her Majesty in right of Canada or a province or any agent thereof." Hon. members may recall that an amendment in these terms was agreed to last year when dealing with the amendments to the Fisheries Act. I proposed an amendment to the amending bill at the report stage.

As far as I know, this particular formula was first incorporated into a piece of legislation in the International River improvements Act of 1955. This is made clear in the explanatory note of my bill which states that many activities of governments, either at the federal or provincial level, and more particularly their agents in the form of Crown corporations such as hydro authorities, impinge on the economy, ecology and whole pattern of development in the country, in much the same way as activities of large private corporations.

This has been one of the uncertainties about the question of whether the province of British Columbia was in fact required to secure a permit other than under the Navigable Waters Protection Act for the construction of that dam. It was in effect being built by the province through its agent the Crown corporation, the B.C. hydro power authority. This is one of the ambiguities this House should take steps to clarify at the earliest possible date. It would be a useful step in augmenting the purpose which the hon. member for Peace River seeks in his bill.

The issue raised by Bill C-36 is highlighted by the fact that a provincial waters act has just been introduced for first reading in the legislature of the province of British Columbia. According to the reports I have received, the minister introducing the bill, Hon. Ray Williston, said it was his intent to introduce this bill for first reading in the current session of the legislature. He said it would be open for consideration and broad discussion. As a result of that, he said it was his intention to introduce an identical or similar bill at the next session of the provincial legislature.

The most significant part of the statement by that minister was that a jurisdictional vacuum exists with regard to water resources, their use, control and management. Because of this he felt that the legislature should move to fill that vacuum before some other authority sought to take it over. I am not privy to all that may have gone on in the considerations of the Lieutenant Governor in Council prior to the introduction of that bill. I mention it to underline the importance of the subject matter raised today by the hon. member for Peace River. In the previous session there was extensive discussion in the House and in the standing committee with regard to a federal act in respect of our waters. Apart from any other implications, it muddied the waters in the matter of constitutional jurisdiction over our national water resources.

• (4:30 p.m.)

I am happy, therefore, to support the principle of the bill introduced by the hon. member for Peace River although its terminology appears to be unusual, for which reason I cannot say whether I would agree with

every particular. However, the idea behind it is one which I feel the House should support, and I for one would like to see the measure referred for consideration to a standing committee of the House. I am sure there are few things which are more important or more urgent today than making wise use from now on of our natural water resources.

Apart from what happened in connection with the Columbia River under the agreement entered into with the United States, what has occurred on the Peace River, Athabasca and Mackenzie river systems as a result of the construction of the dam at Portage Mountain just west of the British Columbia-Alberta boundary is a classic example of the unwise use of our resources. I hope the House will seriously consider allowing this bill to be read the second time so that it can be considered in more detail by the appropriate standing committee.

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I am pleased to have the opportunity to rise and make a few observations about this bill. I should say at the outset that I support it, believing that such legislation is a necessity at the present time. The need is well illustrated by the downstream effects of the W.A.C. Bennett dam.

What has taken place in the Peace-Athabasca delta has been widely discussed in the last year or so, particularly with reference to the damage to the ecology which has resulted from an insufficient flow of water down the Peace River since the dam was completed. I have had an opportunity to review the *Hansards* of the early sixties when this dam was being planned and during the early phases of its construction, and I have found—as my hon. friend from Peace River (Mr. Baldwin) has pointed out—that the question of whether the government of British Columbia had applied to the federal government under the terms of the Navigable Waters Protection Act was raised on many occasions in the House of Commons. But for reasons which are unknown to me, the federal Liberal government of the day chose to ignore those questions.

This is a good example of the kind of thing we had in mind when talking about another bill earlier today. In the Liberal cabinet of that day, quantity was not lacking but the quality of the ministers was not necessarily commensurate. If the ministers responsible at that time had really been equal to their jobs, the situation we face today might have been avoided.

There is another lesson to be learned from this. On many occasions the Liberal government in power at the time, like the one which is in power today, blindly opposed any suggestions from the opposition no matter how good or beneficial they might have been, simply because they came from the opposition. I hope the present government and hon. members who are sitting opposite me now and smiling will bear this in mind and do what they can to see that such obvious mistakes are not repeated.

What happened with regard to the construction of the Bennett dam and the destruction which occurred downstream is an example not only of negligence on the part of the governments of the day, that is, the federal government and the government of British Columbia, but also of the manner in which huge interests are able to run roughshod over the desires of ordinary citizens. It also shows that governments ought not to be rushed into proceeding with projects of this kind as soon as they are conceived. This has particular relevance today to the proposal to construct a Mackenzie Valley oil pipeline. It is evident that the government is overly anxious to proceed with this project, though it may well be that research in connection with such schemes has not yet reached the point at which we could ensure that the ecology of the area and the interests of the people who live there would not be adversely affected.

I was interested to hear the comments made by the Parliamentary Secretary to the Minister of Fisheries and Forestry (Mr. Corbin). He told us that a federal-provincial task force had been set up and described what it would be doing. It appears that one of the most important parts of the necessary studies has been omitted, that is, the effect of the decreased water level of the Peace River on the town of Peace River itself. As is well known, the town has launched a lawsuit against B.C. Hydro for damages done to its water intake system. The town has had to spend considerable amounts of money to reconstruct its water intake system in the river, and so far it has been unable to obtain any sort of compensation for this extra expenditure. The government should give serious consideration to extending its study to include the difficulty which has occurred in the operation of the water intake system owned by the town of Peace River.

I was also pleased to learn that a technical committee and field commission have been set up at Fort Chipewyan to study conditions in the Athabasca delta. It is important that we assess the extent of the damage done in the area. It is also important we should determine whether or not this damage is reversible and determine, also, what might be done to repair the damage which exists. I have received communications from the Indian people in the area, their chiefs and their advisers—people who live very close to nature and who probably understand it better than most of our ecologists. They are pointing out the advantages of dams of the type beavers build which would raise the water to the level desired while not impeding the overflow experienced when the water rises in the spring.

The vegetation changes in the area have become obvious. What used to be a wide, swampy area covered by water during part of the year is now grown over with tall grasses and acres of tall red willows. The fall in the water level has greatly impaired the ability of the native people to make a living by trapping. The parliamentary secretary told us that socio-economic studies would be undertaken, but if I remember correctly there was no indication that the committee would include a particular person charged with carrying out such studies.

• (4:40 p.m.)

I think it is fair to say that the chief source of income for the people in the region of Fort Chipewyan, or one of the chief sources, is trapping, particularly muskrat,

though other fur-bearing animals also. Fishing has also been adversely affected; there is no question of that. This can be substantiated by the fact that welfare costs in the region have gone up by leaps and bounds in the last couple of years. I would close by indicating that in view of the fact that making a living has become more difficult, the incomes of the people in the area of the Peace-Athabasca delta have been substantially reduced. As a result, we must consider what alternatives we can offer these people.

In this regard we must seriously ask ourselves, who is the fellow who caused the problem in the first place, and see what can be done to hold him responsible at least in part. As I said before, the fellow who is responsible is in fact a group of fellows: the federal government, which failed to look at the situation to begin with; the British Columbia government, which in its rush to construct this hydro project did not give due consideration to the effects it would have on neighbouring communities; and the Alberta government, which was either sleeping at the switch or for some reason or other did not look at the situation at all while the project was being developed.

In conclusion, I think this is a good bill. I do not want to see it talked out and I hope it passes, to the benefit of all Canadians.

Mr. Leonard Hopkins (Renfrew North): Mr. Speaker, in order to follow up the remarks of the Parliamentary Secretary to the Minister of Fisheries and Forestry (Mr. Corbin), who has outlined the action that is now being taken, and in order to deal with remarks of other speakers, I am very pleased to participate in this debate, doubly so because I had the pleasure of chairing 34 very interesting and hotly debated meetings of the committee that discussed the Canada Water Act. However, I think I should set one thing straight first. The previous speaker mentioned that the Liberal government in the early 1960s did not take very much action. I suggest to him that there was another government in power in the late 1950s and early 1960s that did not take very much action either, which is why the Liberals came back into power in the early sixties and why the present opposition is still gracing the benches opposite.

Mr. Mahoney: And will for a long time.

Mr. Dinsdale: Such humble people over there!

Mr. Hopkins: This is a very important measure now before the House, dealing with a very important topic and in regard to which I can sympathize with the House leader of the opposition. I, too, have become involved from time to time in discussions about interprovincial waters, living as I do along the Ottawa River. However, I think it is very important to point out that the hon. member's suggestions are in many ways the same as the provisions of the Canada Water Act and other measures passed in this House—if I may say so, passed by this Liberal government.

Mr. Yewchuk: Ten years too late.

Mr. Hopkins: Ten years too late it could be; but I would point out that ten years ago the present opposition formed the government of this country, and if this action should have been taken ten years ago, why did that government not take it?

Mr. Benjamin: One is as bad as the other.

Mr. Hopkins: Just to round out this particular point before getting back to the subject of the bill, I would say that when hon. members opposite stop making inaccurate statements about us, I will stop telling the truth about them.

Bill C-36 in many ways catches the spirit of government legislation which has already been passed. Its explanatory note states in part:

> The purpose of this bill is to concentrate and use the full powers of the federal government to control and manage the sea and fresh water resources of Canada in the public interest; and the provision, where necessary, for co-operation with the provinces to this end.

Compare this statement with the first paragraph of the explanatory note to Bill C-144, the Canada Water Act, which was proclaimed law on September 30, 1970. It read as follows:

> Bill C-144, an act to provide for the management of the water resources of Canada including research and the planning of programs relating to the conservation and development of water resources.

There is obvious duplication between that bill and Bill C-36. I should like to examine the Canada Water Act a little more closely, but before doing so I would point out that if my memory serves me correctly we had members of the opposition sitting on the National Resources and Public Works Committee during those 34 meetings on the Canada Water Act, to which I referred, who were very vocal in regard to protecting provincial rights. The suggestion being made in this bill, that the federal government should be taking a stronger stand as far as jurisdiction over water resources in Canada is concerned, conflicts with the previous stand taken by some hon. members opposite.

From a personal point of view I very much sympathize with the House leader of the opposition. I am one who feels that the federal government should have stronger constitutional powers in regard to handling many phases of resource development in this country, one of these being water development. For this reason I am a very strong advocate of the greater use of the elastic clause in the Canadian Constitution.

The Canada Water Act had its origins in two major national meetings, the Resources for Tomorrow conference in 1961 and the pollution conference of 1966. It was conceived in 1967 and drafted mainly in the spring and summer of 1969 under the auspices of the present government. Its concepts were presented to the Canadian public in a policy paper in late August, 1969, and was formally introduced to the House of Commons on November 5 of the same year. After many days of debate in both the House of Commons and the Senate, and

nearly 40 public hearings, it was passed by Parliament on June 26, 1970.

Surely, throughout all this period there was plenty of communication and opportunity for communication. I often feel that communication is one of the cheapest things we have to offer in this world, yet sometimes it is one thing of which least use is made. If we could at all levels of government achieve complete co-operation instead of participating in bickering matches, then in such an atmosphere of harmony we would be able to do far more for the country.

• (4:50 p.m.)

Why did the federal government pass such legislation? First, because it was obvious to the majority of political leaders, to academics and industrialists, to government officials and to the public generally that the pattern of water resource development and utilization across Canada was not fully satisfactory despite some excellent programs in certain areas and on certain topics. Secondly, with the federal government having certain responsibilities in the field of water resources and the provincial governments other responsibilities, a framework for a co-operative program was needed.

In the event that the province should not act and that there is not federal-provincial co-operation in bringing in a constructive program for the proper utilization of water resources, in the final analysis the Canada Water Act suggests that the federal government should act unilaterally. This comment was placed on the record on a couple of occasions by the Minister of Energy, Mines and Resources (Mr. Greene), the gentleman who still holds that portfolio today. Here is where the elastic clause in the Canadian Constitution would come into play.

We may run into situations in the future concerning the disposition of certain provincial arguments about matters which could involve the subject under discussion today. It is quite possible that this aspect of the Canada Water Act will end up in the Supreme Court of Canada. But surely this is how the laws of a nation are solidified and put on the books once and for all so that they may be changed only by further acts of Parliament as times and as needs require. I think we should be prepared to take our chances in this regard in respect of any act which goes through this Parliament. I think the time is ripe in Canada, if we do not get stronger amendments to the Canadian Constitution, for the elastic clause to be exercised and questioned in the Supreme Court on such issues as this. We cannot continue forever having long hassles over the resources of this country, involving long discussions between federal and provincial governments at a time when immediate action and immediate decision is an absolute necessity.

Unfortunately, the inadequacies of Canadian water resources' development and utilization were abundantly clear. Under these circumstances, the federal government felt it had to equip itself with the legislative authority to meet fully its responsibilities to remedy these deficiencies.

[Mr. Hopkins.]

Recognizing on the one hand the divided jurisdiction in water matters and, on the other hand, the very real gains in efficiency and effectiveness by a comprehensive multipurpose approach to water development and utilization, the federal government set out to build a legislative platform for joint federal-provincial undertakings and in the final analysis for unilateral action by the federal government if necessary, but only as a last resort. To this end, the Canada Water Act contains six principal parts. In these six principal parts I think hon. members of this House will recognize that the bill before us in private members' hour, Bill C-36, in fact in some respects overlaps the Canada Water Act.

The first of the six points is consultation—joint examination of problems to reach accord on certain areas and subjects requiring joint action and those most appropriately undertaken by each government alone. The second point involves comprehensive water management—joint comprehensive planning of river or lake basins, regions or coastal strips and joint implementation of those plans. Perhaps there is a very strong case here that the Peace River should be under a river basin plan. The third point is water quality management—joint designation of water quality areas, formation or designation of a management agency, water quality planning, implementation of those plans, a prohibition against the deposit of wastes except as prescribed by the regulations, and the assessment of fees and charges.

The fourth point involves nutrient control—a prohibition against the import or manufacture in Canada of cleansing agents or water conditioners containing more than the prescribed content of nutrients. The fifth point deals with inspection and enforcement—provision for inspectors to examine effluents, cleansing agents and water conditioners; fines for contravention of the prohibitions, plus the power to close the offending plants if necessary.

The sixth point is public information—a program to inform the public of the state of water resource development in Canada, to increase the understanding by the public of the problems of environmental degradation, and to use public leaders in an advisory capacity. These are the key features of the Canada Water Act. How do they work or how is it intended they will work? One of the major considerations certainly is consultation. In summing up I would say that from this examination of current federal legislation one finds that the subject matter of Bill C-36 is largely redundant. Measures to preserve and enhance environmental quality are included in recent federal legislation and, in addition, the government has before the House Bill C-207 which has even further implications for anti-pollution legislation.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. The hour provided for consideration of private members' business has now expired. It being five o'clock, this House stands adjourned until next Monday at 2 p.m., pursuant to Standing Order.

[*English*]

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, may I be permitted to ask the government whip if it is the intention of the government to go on with Bill C-207 at the crack of dawn on Monday?

Mr. Francis: Mr. Speaker, it is my understanding that we shall go on with it at the usual hour on Monday.

The Acting Speaker (Mr. Richard): Order, please. The Chair would like to remind hon. members that next Sunday is Palm Sunday. On this day the sound and ring of repeated Hosannas should remind us of mankind's frantic search for salvation, peace and truth.

[*Translation*]

I conclude with these words of a Palm Sunday hymn: Hosanna! Hosanna! Blessed is the Saviour of the world!

[*English*]

After such a long week in the chair, I wish to thank hon. members for their very good, kind and understanding co-operation. I should be the wiser for having listened to so many speeches. I take the opportunity once again to wish hon. members and the staff of the House a very pleasant and peaceful weekend.

At five o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, April 5, 1971

The House met at 2 p.m.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

GOVERNMENT ACTION CONCERNING ANTI-POLLUTION DEVICES FOR MOTOR VEHICLES

Question No. 682—**Mr. Anderson:**

1. Have any federal funds been used to develop or test exhaust manifold thermal reactors or exhaust gas recirculation systems for automobile engines?

2. Have any federal research funds been used to develop systems to reduce particle matter in automobile exhausts?

3. Has the Department of Supply and Services announced a date after which all vehicles owned or leased to the federal government must be equipped with (a) exhaust manifold thermal reactors (b) exhaust gas recirculating systems to control nitrogen oxide levels (c) systems to reduce particle matter?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Transport and Supply and Services as follows: 1. No, to avoid duplication of work being carried out in the United States. The findings of this research will be made available to the Department of Transport under the memorandum of understanding signed by the Minister of Transport and the Secretary of the United States Department of Transportation.

2. No.

3. Vehicles purchased by the Department of Supply and Services must comply with the objective performance standards on the levels of emission from motor vehicles in accordance with the Motor Vehicle Safety Regulations issued by the Minister of Transport, effective January 1, 1971.

AIR CANADA—CLOSING OF RESERVATIONS OFFICES IN THE UNITED STATES

Question No. 735—**Mr. Orlikow:**

1. Has Air Canada refused to allow employees to see the recommendations of Mr. Justice Freedman made pursuant to the feasibility study of employment adversely affected by technological changes and, if so, for what reason?

2. Will any Air Canada reservations offices in the United States be closed as a result of the new policy being adopted by Air Canada and, if so (a) how many U.S. citizens are working for Air Canada in reservation offices in that country (b) will any be laid off through the implementation of this policy of office consolidation?

3. Did Air Canada introduce the system of office consolidation in the reservation department known as Telpak on an experimental basis some years ago and, if so (a) in what cities or towns (b) was the experiment discontinued and, if so, for what reason?

4. If the results of the experiment were not satisfactory, is the same system now being reinstituted and expanded and, if so, for what reason?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Air Canada advises as follows: 1. The report in question is a public document and is available through Information Canada.

2. Reviews of this nature to improve customer services are an on-going process. If and when any adjustments are made as a result, appropriate notice would be given and discussions held between the Company and union representatives.

3. Yes. (a) Fredericton, Boston, London, Windsor, Quebec, Trois Rivières, Victoria, Tampa, North Bay, Saint John, New York, Toronto, Montreal, Vancouver, Miami, and Sudbury. In addition to the foregoing, 138 other cities in Canada and 227 in the U.S. are linked to major reservations offices located in other cities by Zenith and special exchange lines. (b) No.

4. N/A.

HEALTH AND WELFARE—CIGARETTE ADVERTISING

Question No. 753—**Mr. Fortin:**

1. Does the government regulate cigarette advertising on radio and TV?

2. How much money was spent on such advertising in each of the past three years?

3. If the government does not regulate such advertising, does it intend to do so and, if not, for what reasons?

4. What results have been obtained by the publication by the Department of National Health and Welfare of anti-smoking literature?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Canadian Radio-Television Commission and the Department of National Health and Welfare advise as follows: 1. The Canadian Radio-Television Commission has no Regulations directly affecting cigarette advertising on radio and TV.

2.

Year	Radio	TV
1967	$2,863,000	$2,458,000
1968	2,350,000	2,717,000
1969	2,727,000	3,344,000
1970	(not available)	

The above figures compiled by Elliott Research exclude agency commission, program and commercial production charges.

3. Introduction of legislation concerning cigarette advertising would depend on the progress made on present

legislation before the House and the priorities that have been established.

4. In drafting Regulations on advertising material in 1970, the Commission took note of the concern expressed by the Commons Committee Report on Tobacco and Cigarette Smoking. The Commission enacted a television Regulation which made room for an additional 30 second unpaid public service announcement per hour where the maximum regulatory advertising material is completely sold out. Unpaid smoking and health announcements are announcements which may be broadcast during this additional 30 second period.

HIGHWAY SAFETY

Question No. 783—**Mr. Mather:**

1. Is the government giving consideration to the issue of a summary report for 1969 or 1970 analyzing highway accidents of commercially operated vehicles in which fire was involved?

2. Is consideration being given to analyzing and reporting motor carrier accidents involving vehicle defects or mechanical failure?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. The collection of highway accident data is a provincial responsibility and the Department of Transport is now studying accident data collected by the provinces. After establishment of a common basis for these data, they could lend themselves to the analysis of highway accidents for all of Canada.

2. Officials of the Department of Transport are working on a data system to gather this information which contributes to the development of safety standards.

WATER POLLUTION ABATEMENT

Question No. 849—**Mr. Comeau:**

1. What recommendations have been made concerning financial assistance to municipalities and industry in their fight against pollution as indicated at page 2711 in *Hansard*, January 25, 1971 by the Minister of Fisheries and Forestry?

2. How much money has the government paid in direct pollution abatement cost other than planning or research costs?

3. Are any loans or grants now available to industry and municipalities and in what form?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. Suggestions have been made to review the provisions under the mechanism of tax exemptions in order to assist industry in its efforts to abate pollution. Such measures were thought to be potentially helpful in supplementing the assistance that may be considered in the form of low interest loans to municipalities and industry.

2. Departmental operating expenses apart and exclusive of planning and research expenditures, the federal government spent in excess of $100 million directly on pollution abatement costs during the calendar year of 1970.

3. Central Mortgage and Housing Corporation provides loans to municipalities to cover two thirds of the cost of eligible works. 25 per cent of the loans are forgiveable on completion of the works. The long term interest charged by CMHC has recently been reduced from 8¼ per cent to 7½ per cent. Available funds are allocated to provinces, who select projects to be funded and who assign the requisite priorities to the works. The Coordinating Committee on Water Pollution Abatement Research of the Federal Government and Pulp and Paper Industry, chaired by the Director, Program Coordination, Canadian Forestry Service, will annually select research proposals from industrial and other research agencies to receive federal support up to $1,000,000 annually for the next five years if matched by equal numbers of dollars by the pulp and paper industry.

MERCURY CONTAMINATION OF DOGFISH

Question No. 983—**Mr. Barnett:**

1. Has the Department of Fisheries and Forestry determined the sources and/or the causes of the contamination of dogfish by mercury in the Strait of Georgia and (a) if so, what are they (b) if not, what investigations and/or research are under way or contemplated?

2. What programs are being implemented with a view to eliminating or reducing the contamination of dogfish by mercury in this area?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. No. (a) not applicable; (b) additional samples of dogfish from this and other coastal areas are being collected for analysis and comparison purposes.

2. Further research in the area of background levels of mercury in the environment will be carried out during the coming months.

DRUG RESEARCH

Question No. 998—**Mr. Mather:**

Is the government undertaking to supply marijuana to the Toronto Addiction Centre for the purpose of having persons smoke the drug for a payment of $5.00 a day as a pilot project for a longer research test later this year and, if so, what is the approximate cost?

Hon. John C. Munro (Minister of National Health and Welfare): In May 1969, the Food and Drug Directorate authorized the release of a supply of marijuana and hashish to the Addiction Research Foundation of Toronto for research purposes, following their request. The Foundation is now using the drugs in a small pilot study designed to investigate the long-term physical and social effects of the consumption of these drugs. The Addiction Research Foundation has not applied to the federal government for financial support for this project.

DEPARTMENT OF FISHERIES AND FORESTRY—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,060—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Fisheries and Forestry (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): (a) $8,000; (b) nil; (c) nil; (d) nil.

ABOLITION OF STEEL TRAPS IN HUNTING AND TRAPPING

Question No. 1,062—**Mr. Mather:**

Have representations been received urging the abolition of the use of steel traps in hunting and trapping and, if so, what consideration is being given to such representations?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Yes. Trapping and fur management, however, are responsibilities of the provincial and territorial governments.

PEI—ALLOCATION OF FEDERAL FUNDS FOR EDUCATIONAL PURPOSES

Question No. 1,080—**Mr. McQuaid:**

Since March 7, 1969, has any money been paid or allocated by the Government of Canada to the Government of Prince Edward Island under the Prince Edward Island Development Plan for purposes of education or for the construction of educational facilities and (a) if so, over what period of time will the allocated money be paid and what will be the terms of repayment (b) if not, will any money be made available over the next five year period to the Province of Prince Edward Island for purposes of education or for the construction of educational facilities and, if so, how much and what will be the terms of repayment?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The government advises as follows: Not to date. (a) Not applicable; (b) these matters are under consideration in the Department of Regional Economic Expansion.

Questions

FERRY SERVICE BETWEEN ST. BARBE, NFLD. AND BLANC SABLON, QUEBEC

Question No. 1,120—**Mr. Peddle:**

1. Did the ferry *Avalon Voyager* operate from St. Barbe, Newfoundland to Blanc Sablon, Quebec last year and, if so, who was the owner and the operator?

2. How many (a) passengers (b) cars (c) trucks, were transported on this ferry during the 1970 season?

3. Was any federal subsidy paid directly or indirectly to the operator of this ferry and, if so, how much?

4. Is an effort being made to have this vessel replaced for the coming season?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. (a) Yes; (b) Puddister and Bennett Shipping Limited, St. John's, Nfld.

2. (a) 4,656; (b) 1,258; (c) 839.

3. (a) Yes; (b) $91,451.61.

4. No, but the possibility of vessel replacement in subsequent years is under study.

PRIVY COUNCIL OFFICE—INFORMATION CONCERNING STAFF

Question No. 1,163—**Mr. Coates:**

1. What is the present total staff of the Privy Council Office?

2. Are L. D. Hudon, David Kirkwood, Miss Pamela McDougall, J. M. Shoemaker and Jean Richard employed or to be employed in the Privy Council Office and, if so (a) in what positions (b) at what annual salary?

3. What is the present total annual payroll of the Privy Council Office?

Mr. Barnett J. Danson (Parliamentary Secretary to the Prime Minister): 1. 206.

2. Yes. (a) and (b)

	Position	Salary Range
Mr. L. D. Hudon	Assistant Secretary to the Cabinet (Economic Policy)	$24,000 - 30,000
Mr. D. H. Kirkwood	Assistant Secretary to the Cabinet (Government Operations)	$22,000 - 27,000
Miss P. A. McDougall	Assistant Secretary to the Cabinet (External Affairs and Defence)	$22,000 - 27,000
Mr. J. M. Shoemaker	Assistant Secretary to the Cabinet (Science, Culture and Information Policy)	$19,100 - 21,700
Mr. J. Richard	Assistant Secretary to the Cabinet (Legislative and House Planning)	$20,000 - 25,000

3. Approximately $2,257,850.

HUNTING OF POLAR BEARS IN CANADIAN ARCTIC, 1971

Question No. 1,184—**Mr. Paproski:**

1. How many polar bears were shot in the Canadian Arctic in 1971 by licenced hunters other than Eskimos?

2. What is the quota on polar bears for the current season?

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): 1. To date, no polar bears have been shot by licensed hunters under the sports hunting of polar bear program.

2. The quota for the sports hunting of polar bear for the current year is 10, to be taken out of the over-all quota for Eskimo and Indian licence holders.

Questions

CANADIAN ARMED FORCES PENSIONS

Question No. 1,196—**Mr. Knowles (Winnipeg North Centre):**

1. In each year 1959 to 1970, both inclusive (a) how many personnel of the Armed Forces commenced drawing pensions under the Canadian Forces Superannuation Act (b) how many widows commenced drawing pensions under the said Act?

2. In each of the same years, how many pensions under the Canadian Forces Superannuation Act to (a) retired Canadian Armed Forces personnel (b) widows of such personnel, have been discontinued because of the death of the annuitant?

Hon. Donald S. Macdonald (Minister of National Defence):

1.

Year	(a) Former Canadian Forces Personnel	(b) Widows
1959	492*	62*
1960	459*	79*
1961	787*	93*
1962	1110*	101*
1963	1170*	123*
1964	2825	217
1965	3723	273
1966	3124	278
1967	2588	299
1968	3245	370
1969	4071	342
1970	4092	358

*Prior to 1964 records were not maintained in a manner which would permit this information to be readily identified and the figures represent the difference between pensions in payment at end of each year.

2.

Year	(a) Former Canadian Forces Personnel	(b) Widows*
1964	342	70
1965	351	98
1966	185	105
1967	89	80
1968	162	77
1969	249	76
1970	261	78

*Widows' pensions may cease for reasons other than death, e.g. remarriage, and statistics are not maintained on the reasons for discontinuing pensions.

Records prior to 1964 were not maintained in a manner which would make this information readily identifiable.

[Mr. Buchanan.]

QUESTION PASSED AS ORDER FOR RETURN

PUBLIC WORKS—RENTAL AGREEMENTS

Question No. 380—**Mr. Coates:**

1. Have any rental agreements been entered into by the government with individuals or firms for space, where the actual occupation of the rented space had to await the completion of construction of the building and, if so (a) on how many occasions has this occurred since June 25, 1968 (b) in each instance, what was the name of the individual or firm from whom space was being rented (c) what was the total amount of space rented (d) for what period of time (a) at which dollar value annually in each instance?

Return tabled.

ORAL QUESTION PERIOD

FINANCE

GOVERNMENT PARTICIPATION IN DECISION-MAKING PROCESSES OF CHARTERED BANKS—INTEREST RATES

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, I would like to direct a question to the Prime Minister. Was the Minister of Energy, Mines and Resources expressing the view of the government when he said in a television interview last night, as recorded by *Canadian Press* in today's journals:

> The government might have to sit at the table where the great financial decisions are made to a far greater degree than it has in the past to enable Canadian companies to play in this very tough league with the American companies.

If this is government policy, can we expect the government to be injecting itself far more into the decision-making processes of the chartered banks than it has in the past?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot say what the minister had in mind when he used the expression "sit at the table." If he means there should be someone talking for the public interest and that it should be the government, then I totally agree with him. But if he meant something different I would have to discuss the matter with the minister. I imagine he was talking on his own behalf.

Mr. Diefenbaker: How can a minister talk on his own behalf!

Mr. Trudeau: There is no particular statement of government policy contained in that beyond what I have just said.

Mr. Hees: If it is government policy that where the interests of the country are concerned the government should inject itself more into the decision-making process of the chartered banks, does the government now intend to tell the chartered banks that they should lower their interest rates in keeping with what has been done by their counterparts in the United States, Great Britain, Europe and most parts of the world?

Mr. Trudeau: This particular move is not contemplated at this time, Mr. Speaker.

Mr. Stanley Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. In view of the fact that the statements we heard from the Minister of Energy, Mines and Resources last night were taped two weeks ago, can the Prime Minister assure us that those are still the views of the minister?

Some hon. Members: Oh, oh!

* * *

THE CANADIAN ECONOMY

GOVERNMENT POLICY RESPECTING EXPANSION OR RESTRICTION—INTRODUCTION OF LEGISLATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a question to the Prime Minister arising out of the report of his speech to the Niagara Falls Chamber of Commerce. The Prime Minister is reported as having said that in a free society trade-offs must be accepted and that in order to provide jobs it would be necessary, among other things, to have a shorter work week with earlier retirement, delays in young people entering the labour force and less emphasis on women working. I should like to know if this means that the government's policy now, instead of seeking to expand the economy and create jobs, is to restrict the labour force wherever possible in order to make a greater distribution of poverty throughout the country?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I think the statements mean what they say. I do not think that this government believes there should be growth at any price, to the point that we would have longer work weeks, child labour and so on. I am surprised that the statement caused any astonishment in the ranks of the NDP.

Mr. Douglas: Mr. Speaker, may I ask if it is the government's intention to bring in legislation to provide for a shorter work week, for earlier retirement, for a greater delay in young people entering the labour market and, particularly, if the government intends to introduce legislation to provide for less emphasis on women working in view of the Prime Minister's speech in Toronto a few weeks ago asking for the removal of discrimination against women? Does the government intend to introduce legislation to deal with the matters which the Prime Minister outlined in his speech in Niagara Falls?

Mr. Trudeau: That is a very wide-ranging question, Mr. Speaker. On the latter part of it, I do not think legislation would be the kind of thing we would contemplate to put less emphasis on women working. What I did say in Niagara Falls was that women should have a choice of being able to work or not according to their own decisions and not because of traditions and social structures imposed on them from the past. On the earlier part of the question the answer is yes. There is a provision before the House now for earlier retirement, if the opposition would let us get it through.

[*Later:*]

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my question is supplementary to the first question asked by the hon. member for Nanaimo-Cowichan-The Islands. Is the Prime Minister taking the same course in double-talk from the same instructor as the Minister of Energy, Mines and Resources, because they both say different things every week according to which way the wind blows?

Mr. Speaker: Order, please.

[*Later:*]

Mr. David Lewis (York South): Mr. Speaker, my question is supplementary to a preceding question. May I ask the Prime Minister whether his speech at Niagara Falls in particular, as well as the report of the governor of the Bank of Canada, means that the government has definitely abandoned any commitment to a full employment policy for fear of inflation and that it intends to keep the economy with some slack in it at all times?

Mr. Trudeau: Obviously not, Mr. Speaker.

WAGE INCREASE LIMITATION SUGGESTED BY PRICES AND INCOMES COMMISSION CHAIRMAN—GOVERNMENT POLICY

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Prime Minister a question arising out of a statement made by the Chairman of the Prices and Incomes Commission, Dr. John Young, to the effect that wage increases should be restricted this year to some 4 per cent? Does this represent government policy, and is the Prime Minister prepared to assure the House and the country that the cost of living his year will not rise more than 4 per cent?

Right Hon. P. E. Trudeau (Prime Minister): Of course I cannot give that assurance, Mr. Speaker. I do not know how high the cost of living will rise this year.

* * *

YOUTH

PROGRAMS FOR YOUNG PEOPLE DELAYED IN ENTERING WORK FORCE

Mr. Lorne Nystrom (Yorkton-Melville): I have a question for the Prime Minister, Mr. Speaker. In view of the Prime Minister's statement over the weekend that there must be some delay in young people entering the work force, can he tell the House whether the government has any programs for young people if they are to be delayed even more in finding employment?

Right Hon. P. E. Trudeau (Prime Minister): We have recently put forth a lot of suggestions along these lines, Mr. Speaker. The hon. member knows that as a constant thing for some years past the federal government has been financing half the cost of post-secondary education all across the land at a cost of several hundred million dollars per year.

Inquiries of the Ministry

[*Translation*]

SOCIAL SECURITY

QUEBEC—ALLEGED APPROPRIATION OF GUARANTEED INCOME PENSION SUPPLEMENT BY GOVERNMENT

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I have a question for the Minister of National Health and Welfare.

As the Bourassa government, in Quebec, is taking over the increase of the guaranteed minimum income supplement for the old, could the minister tell us if the federal government has agreed to such action by the Quebec government?

[*English*]

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I do not agree with the premise of the question and therefore it is difficult to answer.

[*Translation*]

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

In view of the situation prevailing in the province of Quebec, would the minister consider lowering the pension age to 60 and granting pensions to wives of pensioners, even if they have not reached pension age?

* * *

[*English*]

NATIONAL SECURITY

EXTENSION OF PUBLIC ORDER (TEMPORARY MEASURES) ACT—REQUEST BY QUEBEC PREMIER FOR PROVISION OF SPECIAL MEASURES

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, may I direct a question to the Prime Minister. It is in two parts. Did the premier of Quebec, Mr. Bourassa, ask the Prime Minister to extend the Public Order (Temporary Measures) Act when it expires on April 30? Also, if the premier made such a request, has the Prime Minister agreed to present the extension to Parliament on behalf of the premier?

Right Hon. P. E. Trudeau (Prime Minister): Well, Mr. Speaker, the premier of Quebec, in conversation and in writing to me, did ask for the provision of some special measures to deal with situations such as we have known in past months. What cabinet will do with that request is something I cannot predict. We will, of course, have to study the request, along with the other input we are looking at, in approaching the House with measures concerning public order.

Mr. Woolliams: Mr. Speaker, may I ask a supplementary question. Since the Minister of Justice said before the Standing Committee on Justice and Legal Affairs that the government would only extend this Act if there were extenuating circumstances, or only bring in permanent legislation if there were extenuating circumstances, what are the extenuating circumstances, if this is government policy, under which this Act would be continued or a new bill brought in to replace it permanently?

[Mr. Trudeau.]

Mr. Trudeau: Mr. Speaker, it is really for a statement on motions or a declaration of policy that the hon. member is asking. If we come to Parliament with specific measures, of course we will explain to Parliament why we are coming to it for specific measures.

Mr. Woolliams: Mr. Speaker, may I ask a further question. Does the Prime Minister accept as government policy that before this Act would be continued, or a measure introduced to replace it, there would have to be extenuating or special circumstances that do not exist today in the province of Quebec?

Mr. Trudeau: Mr. Speaker, I do not know what is meant by extenuating circumstances.

Mr. Woolliams: Mr. Speaker, may I ask one further question. I wonder if in the course of time the Prime Minister will contact the Minister of Justice and find out what he meant by those words?

Mr. Speaker: The hon. member for York South on a supplementary.

Mr. David Lewis (York South): Mr. Speaker, can the Prime Minister tell the House now whether the government has decided to let the Public Order (Temporary Measures) Act die in accordance with its promise, or whether the government is considering coming to parliament for an extension of time for that Act?

Mr. Trudeau: No, Mr. Speaker, I cannot tell the House now.

* * *

BROADCASTING

SUPREME COURT DECISION ON ACTION BY CKPM RESPECTING CANCELLATION OF LICENCE BY CANADIAN RADIO-TELEVISION COMMISSION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Secretary of State. It has to do with the judgment handed down this morning by the Supreme Court of Canada in connection with the action of Confederation Broadcasting (Ottawa) Limited, the owner and operator of CKPM, against the Canadian Radio-Television Commission. Has he read the judgment yet and does he realize that it is a body blow to the bureaucratic injustice and tyranny that has been practised against responsible Canadians?

Some hon. Members: Hear, hear!

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I have not had as yet an opportunity to read this judgment and I leave to the right hon. member the responsibility for the conclusions he has just drawn; I would not endorse them myself before reading the judgment, and perhaps not even after.

[*English*]

Mr. Diefenbaker: Mr. Speaker, I recall that the minister did not endorse my views on April 6, 1970, when I brought this matter to the attention of the House, as recorded at page 5511 of *Hansard*. I asked the minister then whether the decision made against the company operating this station was not in fact Star Chamber in effect. In view of the decision of the Supreme Court that there must now be a hearing and that Mr. Juneau and the commission acted wrongly in denying the simple justice of a hearing, and inasmuch as when this matter again comes up it will be before the same board with Mr. Juneau in charge and of the same members, has the minister given consideration to taking action that will ensure that the owners of CKPM who were denied justice will not again be denied justice by the very commission that did just that?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I am taking the right hon. member's learned remarks into consideration.

* * *

[*English*]

LABOUR RELATIONS

AGREEMENT BETWEEN RAILWAYS AND LOCOMOTIVE ENGINEERS—IMMEDIATE MOVEMENT OF LUMBER AND GRAIN IN ALBERTA AND BRITISH COLUMBIA

Mr. Robert Borrie (Prince George-Peace River): My question is for the Minister of Labour. We welcome him back to the House after a long weekend.

Some hon. Members: Hear, hear!

Mr. Borrie: Will the minister advise the House if the agreement that was reached last night in the railway dispute will mean the immediate movement of lumber and grain in the western provinces, British Columbia and Alberta in particular?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, before I came into the House I spoke by telephone to the local chairmen of both unions of the Canadian Pacific and Canadian National employees in Vancouver in the Brotherhood of Locomotive Engineers who have assured me that the men are returning to work in that particular area.

Mr. S. J. Korchinski (Mackenzie): In view of the fact that at the meeting in Winnipeg there appeared to be some rejection of the plan, can the minister inform the House as to the outcome of the meeting that was held in Winnipeg?

Mr. Mackasey: Mr. Speaker, I have been busy elsewhere. I apologize because I am not fully conversant with all the meetings that are taking place at this moment across Canada.

Inquiries of the Ministry

BILINGUALISM AND BICULTURALISM

FAILURE OF COMMISSION TO COMPLETE WORK—PUBLICATION OF COMMISSIONERS' VIEWS ON REASONS THEREFOR

Mr. G. W. Baldwin (Peace River): I wish to direct a question to the Prime Minister. Can the Prime Minister advise the House if an Order in Council has been passed discharging the Royal Commission on Bilingualism and Biculturalism from its responsibilities, either under Privy Council minute No. 3374 or its successors, and does that minute relieve the commission from its obligation to report on the mass media as laid down in the original terms of reference?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot remember if there was an Order in Council along those lines. I remember writing a letter to the joint chairmen explaining to them that I understood the reasons why they did not want to pursue their work.

Mr. Baldwin: As Mr. Gagnon, the former co-chairman of the commission, has, in breach of propriety and probably of law, disclosed certain details of the meetings of the commission, is it the intention of the government to secure from the other commissioners and publish their views on the issue raised so that the taxpayers of Canada can decide on the extent to which they got value for the $10 million spent?

Mr. Trudeau: Of course I cannot agree with the premise of the question. If the hon. member has a charge to make or an information to lay, I hope he will do it.

Mr. Baldwin: Did Mr. Gagnon or the other commissioners have any communication with the government or anyone on its behalf, either in writing or otherwise, with regard to this decision to suspend hostilities or about the 12 month stalemate which preceded it? Was information about their decision communicated to the government?

Mr. Trudeau: No communication at all, Mr. Speaker, concerning the cessation of hostilities.

REQUEST FOR TABLING OF CORRESPONDENCE CONCERNING CONCLUSION OF COMMISSION'S WORK

Mr. David Lewis (York South): May I ask the Prime Minister whether he will consider tabling any correspondence relating to the conclusion of the work of the commission which passed between one or both of the joint chairmen of the commission and either himself or any other minister of the Crown?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I will. If the hon. member is referring to the correspondence in which the commissioners notified me that they wanted to wind up their work and the answer I gave to them, I see no reason why I should not table it in the House. I will look into the correspondence to see whether it contains any information which might be secret; if it does, I will explain to the House why I should not table it.

Mr. Lewis: I am interested particularly if there is correspondence which sets out the reasons the commission decided not to produce its final report—all that kind of thing—so that all the information may be before Parliament and the people.

Mr. Trudeau: Yes, Mr. Speaker. The letters to which I refer do contain some explanations along those lines and I will meet the commitment I gave a few moments ago.

FAILURE OF COMMISSION TO COMPLETE WORK—PUBLICATION OF SPEECHES AND EDITORIALS BY JEAN-LOUIS GAGNON

Right Hon. J. G. Diefenbaker (Prince Albert): My question is directed to the Minister without Portfolio in charge of Information Canada. Having read what Jean-Louis Gagnon said, as reported by Arthur Blakeley in this morning's Gazette, it is apparent he had some difficulty in understanding the reason for divisions in the province of Quebec. I am wondering whether the minister reporting for Information Canada, and knowing the desire of that organization to give the fullest information, would feel like publishing the speeches and editorials by Mr. Gagnon between 1940 and 1950? It would be very informative.

Hon. Robert Stanbury (Minister without Portfolio): I would certainly give consideration to that suggestion, Mr. Speaker. Perhaps the speeches of the right hon. member would be of more national interest, though.

Mr. Diefenbaker: Thank you for the compliment, but at the moment I am asking about Mr. Gagnon because he had a lot to say that Canadians should know about and Information Canada with its capacity for making information public would be doing a national service.

FAILURE OF COMMISSION TO COMPLETE WORK—WITHHOLDING OF COMMISSIONERS' SALARIES

Mr. Eldon M. Woolliams (Calgary North): In view of the fact that the B and B Commission refused, or was unable to, complete its final report, has any consideration been given to withholding money for the commissioners' salaries on this account? After all, the commission has cost about $10 million.

Right Hon. P. E. Trudeau (Prime Minister): It is my understanding that there are no further salaries to be paid to the commissioners, that they have now wound up their work. If we wanted to give them more money I am sure they could publish more things and produce further volumes. If that is the desire of hon. members opposite—

Mr. Hees: Liberal pork barrel. Come and get it. It is here. Help yourselves. We have millions.

Mr. Speaker: Order. I realize this is an important subject and I see that a number of hon. members are anxious to ask questions about this very interesting situation. However, perhaps we might give some thought, before the end of the question period, to going on to another subject. For the moment the Chair will recognize the hon. member for Calgary North and the hon. member for Annapolis Valley on this same subject, but I suggest that we then go on to another matter.

Mr. Woolliams: Does the Prime Minister not consider that part of the function of the commissioners was to complete their final report as they promised, in accordance with the terms of reference? Since they were unable to do this, or refused to do it, would the cabinet look into the situation and request a final report or, if one is not forthcoming, be prepared to withhold further payment of salaries?

SUGGESTION THAT COMMISSION NOT MAKE FINAL REPORT

Mr. J. P. Nowlan (Annapolis Valley): My question concerns the revelations by Mr. Gagnon concerning some of the problems the commission encountered in finalizing and/or writing the last few volumes of the report. Would the Prime Minister inform the House, when he answers the hon. member for York South, if there was any communication by any member of the government to the commission prior to the letter from the commission to the government telling the government and the country they would not in fact be completing their report? In other words, I refer not necessarily to communication by written correspondence. Was any member of the government in touch with the commission, was he aware of the division of opinion, and did he suggest to the commissioners or to a commissioner that no final report be made?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will look into the matter. I cannot give a very simple answer, especially when my answers are cut off by the opposition. I should say now that my previous answer was not completed, and I am afraid I will not be able to complete this one.

Mr. Hees: You were cut off by the Speaker, not us.

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EXTERNAL AFFAIRS

PROPOSAL BY SOVIET UNION FOR CONFERENCE ON BANNING OF GERM AND CHEMICAL WARFARE

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question I want to ask the Secretary of State for External Affairs. Having in mind the Soviet Union's current proposals for a five-power disarmament conference, particularly with regard to germ and chemical warfare, is Canada giving any consideration to using its good offices to encourage such a conference?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, one of the most encouraging aspects of the speech made by Mr. Brezhnev to which the hon. gentleman refers was its reference to a new Soviet approach to the banning of biological weapons. This

really means that the Soviet Union has now agreed with the method of proceeding proposed by the British and supported by Canada, namely, that the early conclusion of a separate treaty on biological weapons is the most efficacious manner of making progress. We are hopeful that an international agreement banning development, production and stockpiling of biological agents of warfare can be agreed upon at an early date. Work could continue on banning chemical weapons.

EAST PAKISTAN—PARTICIPATION BY CANADA IN DISCUSSIONS TO AVERT WIDENING OF CONFLICT—SAFETY OF CANADIAN NATIONALS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Secretary of State for External Affairs regarding the continued troubled situation in East Pakistan, and especially the announcement of interest in the matter by the Indian government. Can the minister advise whether Canada is holding discussions on this serious question with representatives of Pakistan, India or the United Nations with a view to averting an even wider conflict?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, we have been trying to keep in touch with the situation in Pakistan. I understand that the High Commissioner of Pakistan was recently in touch with the Canadian government urging us to prevail upon other countries not to intervene in this situation. We made it clear, as I have made it clear in the House, that until we have all the facts we think that intervention would not serve very much purpose.

Mr. Macquarrie: May I ask the minister whether he is now in a position to assure the people of Canada that Canadians living in East Pakistan have been safely evacuated or are not in danger?

Mr. Sharp: Yes, Mr. Speaker. The situation is this. Before the emergency arose there were about 150 Canadians in Pakistan. About 40 left before the recent emergency arose; another 22 have arrived in Singapore, and there may be a few others we have not been able to trace. There remain about 85, and the information we have is that none of them is in any danger at the present time.

EAST PAKISTAN CONFLICT—CANADIAN ASSISTANCE THROUGH RED CROSS

Mr. John Gilbert (Broadview): Mr. Speaker, I have a supplementary question for the minister. Have he or his officials been in touch with the Red Cross agencies to provide aid and assistance to people in this area?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. We have been in touch with the Canadian Red Cross and have said we are ready to help if they can find some way of assisting the people of East Pakistan.

Inquiries of the Ministry

GRAIN

RENOVATION OF NATIONAL HARBOURS BOARD VANCOUVER TERMINAL—GREATER USE OF PRINCE RUPERT CAPACITY

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the minister in charge of the Canadian Wheat Board. In view of the continued idleness of the National Harbours Board terminal at Vancouver owing to the condition of the building, do the minister and the government intend to authorize the expenditure of money to renovate the terminal and put it into full operation?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the possible use of this terminal was thoroughly investigated again recently. Following the investigation tenders were sought from private interests both in connection with possible leases and in connection with possible sales, but nothing has come of them to date. Some further approaches are now being pursued bearing in mind the possibility that, because of the record movement of grain which is going to be passing through Vancouver, an additional terminal may in fact be an economic proposition, notwithstanding that large amounts of money may have to be spent on putting it into operational shape.

Mr. Benjamin: In view of the obvious need for more capacity at Vancouver, will the government give consideration to the construction of a new National Harbours Board terminal and some expansion of the terminal space at Prince Rupert? May I also ask whether greater use will be made of the terminal at Prince Rupert which the former chairman of the Board of Grain Commissioners alleges is being used only to half capacity?

Mr. Lang: Mr. Speaker, whenever we are having, as this year, record movement of grain out of the west coast ports the terminal at Prince Rupert does tend to be used fairly fully. This will be done again this year. The question of additional facilities is one which is, of course, under review, but whether it would be appropriate for the government to build the facilities or for one of the private trade or co-operative companies to build it remains to be seen.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to ask the minister a supplementary. Is any thought being given to diverting some of the funds which would normally be spent under the Temporary Wheat Reserves Act into the construction of such a terminal elevator on the west coast?

Mr. Lang: Mr. Speaker, I do not think one need put a particular label on the source of the funds. If additional facilities are clearly required, and if a particular kind is required at Vancouver, I am sure the funds will be found.

Inquiries of the Ministry

[*Translation*]

FINANCE

INFLATION—SUGGESTED REDUCTION OF INTEREST RATES TO STABILIZE ECONOMY

Mr. Henry Latulippe (Compton): Mr. Speaker, I would like to ask the Minister of Finance a question.

Does he think that inflation has been completely overcome in Canada?

Mr. Speaker: It seems to me that is a very general question. The hon. member urges the minister to make a statement which usually is made on motions. If the hon. member could make his question more to the point the minister might be able to give an answer.

Mr. Latulippe: Mr. Speaker, could the hon. minister tell us whether he intends to lower the discount rates of the Bank of Canada again so that chartered banks also bring down their interest rates for a better balanced economy?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, this is a matter for decision by the governor of the Bank of Canada. If he has any such intentions he will, of course, notify the public in the normal way and would be in consultation with me before making such decision.

AMENDMENT OF UNITED STATES INTEREST EQUALIZATION ACT TO COVER SHORT-TERM CAPITAL FLOWS—CANADIAN EXEMPTION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a question for the Minister of Finance. In light of reports that the United States seeks to amend its interest equalization act to bring short-term capital flows under the control of the act, could the minister tell the House whether Canada has been advised of this action, whether his officials are in touch with those of the United States government, and whether the government of Canada is going to seek exemption from these controls, as we do for long-term capital flows?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I will be meeting with the Secretary of the Treasury tomorrow. I understand that in the act that was approved by Congress and the Senate there was no question of the continuation of Canada's exemption.

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CANADIAN BROADCASTING CORPORATION

DENIAL OF CANADIAN TELEVISION PROGRAMS TO WINDSOR STATION

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, I should like to ask the Secretary of State whether he is prepared to reply to the question of which his parliamentary secretary took notice last week concerning the denial of Canadian-produced television programs to the television station at Windsor?

[Mr. Lang.]

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I do not know whether this is in keeping with the Standing Orders, but I would suggest to the hon. member, since I have the reply but it is a rather long one, too long, I believe, for Your Honour's forbearance, that the matter might be discussed on adjournment.

[*English*]

Mr. Speaker: Order. This might be a good arrangement in any event. It is up to the hon. member who would have to give the usual notice to the Chair.

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AGRICULTURE

POTATOES—REQUESTS BY PRINCE EDWARD ISLAND AND NEW BRUNSWICK FOR ASSISTANCE

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. Has he or the government received any request from the governments of either Prince Edward Island or New Brunswick or both for assistance for the agricultural industry of those two provinces because of the fact that their main cash crop is now being sold at less than the cost of production? I refer to potatoes of course.

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker, I have had some requests and correspondence dealing with the price of potatoes and the lower volume that has been marketed so far this year.

Mr. Speaker: The hon. member for Saint John-Lancaster.

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NATIONAL SECURITY

PUBLICATION OF BOOK BY SECRETARY OF STATE ON QUEBEC CRISIS—ENGLISH VERSION

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I want to ask the Secretary of State if he can inform the House when the confessions he put in book form will be ready in the English translation?

Mr. Speaker: Order, please. I am sure the hon. member realizes the question is not in order. For one thing it is not a supplementary to whatever the previous question was and, second, the hon. member is not asking a question which relates to the administrative responsibility of the minister as such. I would not think that in those circumstances the question is in order.

Mr. Bell: Mr. Speaker, on a point of order—I will make this very brief—we are going to be asked to consider substitute legislation for the public order act and I think those of us who speak the English language should have an opportunity to read this book. It would be very revealing to us and we would be able to get the feel of it in our own language.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. Perhaps the minister's book might be prescribed reading for the courses given to hon. members who are trying to learn French.

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HEALTH

CONFERENCE ON ASSISTANTS TO PHYSICIANS—RECOMMENDATIONS OF 1969 NATIONAL HEALTH MANPOWER CONFERENCE—USE OF FELDSHER SYSTEM

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In view of the government's national conference on assistants to physicians now being held and in view of the possible tremendous implications for national health care, would the minister state if any of the recommendations of the national health manpower conference of October, 1969, will be presented to this meeting?

Hon. John C. Munro (Minister of National Health and Welfare): I believe so, Mr. Speaker.

Mr. Rynard: I have a supplementary, Mr. Speaker. I should like to ask the minister if the Feldsher system, now being abandoned by the Russians, is to be made a cornerstone of the new program?

Mr. Munro: Mr. Speaker, I would indicate generally, without particular reference to the Feldsher system, that we believe, along the lines of the report in respect of dental auxiliaries and now the investigation into physicians' assistants, that the development of health personnel in this way will be beneficial in improving the health delivery system in Canada.

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FINANCE

REPRESENTATION OF GENERAL PUBLIC ON BANKS' BOARDS OF DIRECTORS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Finance. In view of the fact that the statements made by the Minister of Energy, Mines and Resources arose out of speeches made by the presidents of a number of the chartered banks of Canada, can the minister tell us whether, as part of the process suggested by the minister of involving the government more intimately in the decision-making processes, the government is giving consideration to legislation which would provide for public representation on the boards of directors of the chartered banks of Canada?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I believe the boards of directors of the chartered banks are made up of members of the public. Incidentally, since the time this question was first raised I have read the prepared texts of the statements of the various bank presidents in New York and find that the press was quite misrepresentative in stating that the opinions of one or two of them were the general opinions of the bankers at this meeting.

Mr. Orlikow: Mr. Speaker, I have a supplementary. Would the minister give consideration to new legislation which would require appointment to the boards of directors of the banks not of shareholders' representatives but of representatives of the general public, probably through appointment by the government?

Mr. Benson: Mr. Speaker, I really do not know whether my hon. friend is looking for a job.

CHARTERED BANKS PRESIDENTS' POSITION ON CANADA DEVELOPMENT CORPORATION—SUBMISSION OF BRIEF TO COMMITTEE PRIOR TO DEADLINE

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, my supplementary is directed to the chairman of the Standing Committee on Finance, Trade and Economic Affairs. In view of the critical stand taken by two or more bank presidents when in the United States regarding the Canada Development Corporation, did the Bankers' Association or any Canadian chartered bank submit a brief on this subject to the committee prior to the March 31 deadline?

Mr. Speaker: Order. The hon. member cannot ask this kind of question. I must say it is always somewhat difficult for the Chair to determine what questions can be asked in relation to committee proceedings, but generally speaking the only questions allowed to a chairman of a committee deal with the holding of meetings and the proceedings of the committee. I would not think it is in order to ask the chairman whether or not a brief has been submitted.

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AGRICULTURE

FARM PRODUCTS MARKETING BILL—PROVISION OF SUFFICIENT COPIES

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. In view of the importance placed on Bill C-176 by both the government and the agricultural industry of Canada and in view of the fact that after one year copies of the bill still are not available to members of the House or to farm commodity groups, will the minister consult with the persons responsible to see whether this can be rectified at an early date?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I have to admit I was unaware that additional copies were not available to members of the House.

Mr. Speaker: Order, please. Perhaps this is the kind of problem the Chair might look into. My information is that the available supplies were depleted some time ago. Of course, hon. members and the public who are interested are entitled to have copies of this bill and this is a difficulty which can easily be remedied.

Inquiries of the Ministry

CANADIAN NATIONAL RAILWAYS

APPLICATION OF MINIMUM WAGE LAWS TO HOTEL EMPLOYEES

Mr. James A. McGrath (St. John's East): Mr. Speaker, I wonder whether the Minister of Justice is now in a position to answer a question I directed to the Minister of Labour some time ago regarding the provisions of the minimum wage laws being applied to employees of Canadian National hotels in Canada, especially in view of the importance of the matter to the collective bargaining process?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, after the question was posed by the hon. member to the Minister of Labour I reviewed the situation of the case before the Alberta Supreme Court and found that the matter has not yet been tried. I have suggested to the parties that it would be in the interest of the country to have it brought on for trial as soon as possible.

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GRAIN

WHEAT—STOCK ON HAND AT VANCOUVER—NUMBER OF SHIPS LOADING OR WAITING

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, I have a question for the minister responsible for the Wheat Board. Can he tell the House whether there is still a stock of wheat on hand at Vancouver, whether ships are being loaded and how many are waiting to be loaded?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the report I have in my hand this morning indicates that four ships are being loaded, ten are waiting to be loaded, and some 195 cars were spotted for unloading at the terminals.

Mr. Yewchuk: Mr. Speaker, I have a supplementary question for the same minister. Are there any ships now in position in respect of which demurrage charges are being paid, and in view of the loss of $1 million a day to the western grain economy in the past week or so will the government see to it that these charges are not forced upon the grain industry?

Mr. Speaker: Order. I have the impression this question was asked on Thursday or Friday of last week.

NEW QUOTA POLICY—EFFECT ON EQUITABLE DELIVERY BY PRODUCERS

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to direct a supplementary question to the minister in charge of the Wheat Board having to do with the new quota policy which results in quotas now being non-cumulative and terminable. Is any consideration being given to the inequities that will arise as a result of late harvests, harvests in the spring, or the fact that many producers may have grain not of the type and grade offered for same at a particular time, which would in effect inhibit equitable delivery in respect of many producers?

[Mr. Speaker.]

Hon. Otto E. Lang (Minister of Manpower and Immigration): I can assure the hon. member that all these variables are being taken into consideration by the Wheat Board. The way in which the Wheat Board will operate the terminable quotas should allow for most of the matters to which the hon. member referred being dealt with.

Mr. Speaker: Order, please. The question period has already expired or is just expiring now. The Chair would like to call on the hon. member for Selkirk for the last question.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—CRITERIA USED IN CONSIDERING APPLICATIONS

Mr. Doug Rowland (Selkirk): Mr. Speaker, I should like to address a question to the Secretary of State having to do with the Opportunities for Youth program. After having supplied members of the House with the criteria to be employed in the selection of projects under the Opportunities for Youth program, has the minister subsequently added two criteria, namely, that projects which are not to be administered by the youth themselves are not acceptable under the terms of the program and, second, that projects which might normally be considered within the ambit of municipal or provincial public works departments are not to be considered under the Opportunities for Youth program?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): The reply to both parts of the question is no, Mr. Speaker. Evidently, we prefer programs young people themselves can administer and implement, and even more programs through which young people can obtain the co-operation of adults of their community.

The reply to both parts of the question is therefore negative, provided I have understood the question well.

[*English*]

Mr. Rowland: Mr. Speaker, I have a brief supplementary question—

Mr. Speaker: Order, please. I have to bring to the attention of hon. members that the question period expired three or four minutes ago. I recognize that a number of hon. members have been rising throughout the question period. I will attempt to give them preference tomorrow. I will also seek the co-operation of the front benches to give the Chair an opportunity to recognize hon. members in the third and fourth rows. I think I should insist on this. I do feel that the Chair is perhaps placed in a difficult position from day to day when there is insistence on the part of hon. members in the front rows to ask questions at the expense, I suggest, of hon. members in the third and fourth rows.

Some hon. Members: Hear, hear!

GRAIN

SHIPS WAITING TO BE LOADED AT VANCOUVER—DEMURRAGE CHARGES

Mr. Paul Yewchuk (Athabasca): I rise on a point of order, Mr. Speaker. I apologize for taking up the time of the House but I was the fellow who asked a question a couple of days ago but did not receive an answer from the minister at the time. I think he has an answer today to the question I put.

Mr. Speaker: I am not sure to which minister the hon. member is referring. I am sure that if a question was asked and if the reply is short, the House will agree to allow the minister to give that answer now.

Hon. Otto E. Lang (Minister of Manpower and Immigration): The number of ships and the problem of demurrage in relation to them is one that changes every day. I will have to ask the hon. member to give me notice of the specific day in which he is interested and I will try to provide the figures for him.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed, from Friday, April 2, consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

On clause 14—*Establishment of ministries of state.*

The Acting Chairman (Mr. Richard): Order, please. When the committee rose on Friday, clause 14 of the bill was being considered.

Mr. Lundrigan: Mr. Chairman, I am glad to see that the Prime Minister is present for the opening of the discussion of this bill today. Perhaps he is going to stay and listen and also contribute to the enlightenment of hon. members regarding the reason for Part IV of the bill which will give him the power to create five ministries of state if it ever becomes law. I am sure the bill will not become law because hon. members will not agree to it.

I think there might be some hon. members across the way who have not read Bill C-207 yet, judging from what they said on Thursday and Friday of last week. I have to say that, as a new member of the House, I might not be as conversant with the legislative language as are other hon. members, but the first thing that strikes me is the language of Part IV of the bill. Clause 14 reads:

> Where it appears to the Governor in Council that—the government of Canada warrant the establishment for the time being of a special portion of the public service of Canada presided over by a Minister charged with responsibility for the formulation and development of such policies, the Governor in Council may, by proclamation, establish a Ministry of State for that purpose.

The Acting Chairman (Mr. Richard): Order, please. There is a great deal of perambulation through the Chamber and behind the curtains, and a great deal of talking. The Chair can stand it but it is very difficult for the hon. member who is making the speech. I, therefore, ask for the co-operation of hon. members.

Some hon. Members: Hear, hear!

Mr. Lundrigan: I have no complaint about the noise in the House, Mr. Chairman. This is just an indication of lack of interest in Bill C-207 on the part of hon. members, and consequently it is not surprising to me that this disinterest is beginning to manifest itself in this way.

However, the language in Part IV of the bill is what strikes me. If we go to page seven, clause 23, we read:

> A minister of State appointed by commission under the Great Seal of Canada— (a) may be assigned by the Governor in Council—

This indicates that when the Prime Minister, who is the dictator in the cabinet—that is the basic system we have in Canada today—decides that he is going to appoint a minister of state, that is done. The rights and responsibilities of that minister are then determined by the Prime Minister. Certainly, I am not very knowledgeable of the parliamentary system, its history and its privileges, but until now the Cabinet has been dictating to the House. As a matter of fact, the Canadian people have recognized that it has been part of the whole tradition for the Governor in Council, or for the Prime Minister and his cabinet, to decide on the policies, to decide what moneys will be spent and where they will be spent.

What we are now being asked under this bill is to establish a system whereby the total number of people involved in ministries under the Prime Minister's control may be larger than the number of the people in his government. I am surprised that hon. members across the way have not taken strong exception to it. I was trying to calculate the actual number of people who would be involved. At present, the cabinet consists of 28 ministers, including the Prime Minister and the ministers without portfolio. If the present legislation becomes law, we might find that with every minister having at least one parliamentary secretary the figure would double to 56. If you add a few extra parliamentary secretaries for some of the larger portfolios there would be 63 people under the control of the Prime Minister. At the same time there would be five ministers of state. Clause 23 reads:

> A Minister of State appointed by commission under the Great Seal of Canada, other than a Minister who presides over a Ministry of State,
>
> (a) may be assigned by the Governor in Council to assist any Minister or Ministers—

I do not know what that means exactly, but my interpretation is that the Prime Minister or the Governor in Council may appoint any number of ministers of state. We have a potential of five ministries and an unlimited number of ministers. Assuming the Prime Minister is

very fair in his distribution and appoints only five ministers of state, a couple of them being those already under his control, we might have a situation with four parties in the House where the Prime Minister might appoint every member in his party to some position of authority. It is possible for a government to be elected in Canada with only 70 members. At present there are 150 government members, 70-odd in the official opposition, less than 20 in one opposition party and 10 in the other. It would be possible, after the next election, for one party to elect 70 members and still form a government. We have had governments with just over 100 members.

• (3:00 p.m.)

Let us consider the possibility of a minority government with only 70-odd members forming the government, with the support of opposition parties. Under this system, it would be possible for a Prime Minister to appoint each and every one of his party to positions of authority, and so far as I am concerned this is a serious step in the wrong direction. It is one which will increase the autocracy of cabinet, the autocracy of the Prime Minister, and reduce the democratic process below what it is at the moment.

Members of the House of Commons are complaining about the lack of independence which they suffer in trying to vote on legislation. Everyone is aware of the party system. Everyone knows there is a lot of line toeing, and a good deal of party allegiance. A couple of days ago I was talking to 70 or 80 young people who visited the House of Commons, and they complained that parliamentarians were not sufficiently independent from their parties. They said that Members of Parliament had to go along with the policies of their parties. If this piece of legislation becomes law, the independence of members will become much less than it is now. I cannot understand the attitude of hon. members opposite. During the last few days I have noticed the type of member who has been staying in the House. I have been noticing the type of member who has been making his presence felt. These people are either ministers or parliamentary secretaries now or aspire to become such.

Members of the Liberal party are showing a great deal of fear. I don't blame them. Some of these members want to become part of the establishment. They want to play their role. They want appointments. They want to be on the inside track. Can you imagine the effect of this attitude on the government if this legislation becomes law? Already there are many hon. members who are trying to show their great allegiance to the Prime Minister, their great allegiance to the cabinet, and their great allegiance to their party, but not to the country. That is not where their allegiance lies. It lies with the Prime Minister, the cabinet, and their party. Hopefully this legislation will never become law. But, can you imagine what will happen if it does, and if a Prime Minister can give appointments to some 100 members of his party? In fact, at present he can decide on about 70 appointments, and the people of Canada are wondering about the fate of democracy.

I have talked to people in this party, Mr. Chairman, who are knowledgeable with respect to the legislative process. They wonder why we did not get a separate bill dealing with the environment, so that we could have had a debate on environment. Such a bill would have been on the statute books by now. They wonder why the government did not decide to bring in separate bills if it wanted more ministries established. I was astounded on Friday to hear the President of the Treasury Board ask the hon. member for Edmonton West if he would be against establishing a ministry of state in charge of feminine affairs, or women. I was astounded at him asking that question, since the Prime Minister already has the authority to appoint any number of ministers without portfolio. I was astounded that he did not realize the Prime Minister could have introduced a separate bill to establish a ministry in charge of feminine affairs. Doesn't he have that right? I ask the President of the Treasury Board, doesn't he have that right now to bring in a separate bill, spelling out the duties, the functions, the responsibilities, and the total administrative bureaucratic costs to the Canadian people of such a ministry? Why does he want unlimited power, such as he would have under this legislation?

I say to the people of Canada that every minister of the Crown is guilty of collusion with the Prime Minister, in the first place for allowing this legislation to be before the House, and secondly for not speaking out against it. The President of the Treasury Board sits over there and smiles. Mr. Chairman, I look down the list of people whom I recognize as honourable gentlemen. We have the Secretary of State for External Affairs. I won't say he is the most aggressive member of the cabinet. He can figure skate beautifully, but I believe he would take exception to the democratic system going down the drain.

I look at the member from Vancouver who is in charge of public works. I don't think he is so enamoured of all the aspects, all of the efforts of our present Francophone Prime Minister that he would not stand up for his people. I look at the President of the Privy Council. I know he got to the leadership convention, and I know he has had trouble finding his way up to his present level in his party, but I thought he would be against a provision of this type. I look at the President of the Treasury Board who has control of the purse strings of the Canadian nation. I would expect this gentleman to thump his desk and say, "If we want a particular ministry of state, or particular minister without portfolio in charge of unemployment, in charge of urban affairs, or in charge of women, or of any such area concerning the Canadian people, bring in a new separate bill, Mr. Prime Minister; place it before the Canadian nation, spelling out the duties, responsibilities, the structure, the hierarchy, and the cost, and we will go for it. We will go for it after we have analysed it and have changed it."

Then we get the minister from Kingston who is the Minister of Finance. I believe he is one who has great knowledge of the composition of the economy in the east and who would stand up against the Prime Minister. Everybody knows the Prime Minister is a very knowledgeable internationalist. Today, I heard the right hon. gentleman from Prince Albert challenge our Information

Canada expert to produce some of the speeches of Mr. Gagnon during the ten years 1940 to 1950. I would like to see Information Canada publish some of the essays and contributions to the literary world of the Prime Minister during that period. One hon. gentleman holds up a copy of "Pierre Trudeau and Canadian Federalism." I would like to see passages from it circulated to the Canadian people. Then, there is the book by Jacques Hebert and Pierre Elliot Trudeau, "Two Innocents in Red China", which I have read with great interest. I should like to see this book circulated because it tells of his second coming to Red China and his great association with the Chinese people. I think the Prime Minister is a great internationalist. I would like to see more publicity given to Jacques Hebert's views on his visit to Red China. This Jacques Hebert is the same gentleman who published the book by the Secretary of State.

The Prime Minister is an expert on eastern matters. There is nobody in this Parliament more capable than the Prime Minister of finding ways to get control of situations. Then, we have the Minister of Industry, Trade and Commerce and the Minister of Regional Economic Expansion. We also have the Minister of Energy Mines and Resources. Where does he stand? I know we are having trouble determining where he stands with respect to energy policies.

Mr. Deachman: I rise on a point of order, Mr. Chairman. Are we still on Bill C-207? If we are I would not have recognized the fact from listening to the last several minutes of the present discourse. I wonder if the hon. member just wandered off to another topic.

The Chairman: I think the hon. member for Vancouver-Quadra has made a very good point. The hon. member who has the floor may have been straying just a bit far.

Mr. Lundrigan: Mr. Chairman, I congratulate the hon. member for Vancouver-Quadra for proving that he was awake. I think he is just getting in an early application for one of these appointments. I notice that my good friend, the expert in the area of finance, who is sitting over there, is not wearing his red shirt today. He has done a tremendous job of ingratiating himself with his colleagues since he was appointed parliamentary secretary. Keep up the good work, there are a lot of appointments to come.

• (3:10 p.m.)

I think my remarks are relative, Mr. Chairman. We are asked to approve a decision of the Prime Minister which, hopefully, came before the cabinet. I hope it did because I have some confidence in his colleagues in the cabinet. But I am challenging the various members of the Privy Council to explain why they are prepared to permit the Prime Minister, who has never explained the bill to the House, to go ahead with legislation which will in effect take complete and total control of the House of Commons. Instead of having dictatorship of the cabinet, as has been traditional since 1867, we will have a small group of 28 ministers in control of all the decision-making process, plus the fact that the Prime Minister will have control of his own party. It will be a completely autocratic situation.

I have overlooked the Postmaster General, but now I come to a gentleman for whom I have a great deal of respect, the Minister of Justice. He has not been in the House during the debate, so far as I am aware. Perhaps he has been here once or twice, but he has never taken exception to this provision. I wonder if he took exception to it in cabinet. At the moment, there are enough ministers in the cabinet with backbone that some will stand up against the things that are happening in this country.

I will overlook the Minister of Indian Affairs and Northern Development and come to the Minister of Labour, the Minister of National Defence and the Minister of Fisheries and Forestry, a man who has tremendous credentials on paper. Is he satisfied with the control being given to the Prime Minister? And where is the member for Vancouver-Quadra?

On rereading clause 23 I see that it gives permission to the Governor in Council to appoint an unlimited number of ministers of state, not just those who will be in charge of the five ministries of state. It provides also that a minister of state "may be assigned by the Governor in Council to assist any minister—". What kind of control is that? Is the member for Calgary South satisfied that we in this House can vote to give a blank cheque, as was done during the Second World War?

The Chairman: Order, please. I regret to interrupt the hon. member, and I do so only to advise him that his time has expired.

Some hon. Members: Carry on.

The Chairman: The hon. member may continue if there is unanimous consent. Is there such consent?

Some hon. Members: Agreed.

The Chairman: Agreed.

Mr. Lundrigan: I won't even accept the opportunity, Mr. Chairman, because I am sure there are many hon. members who wish to speak. I have another 20 minutes, so I shall wait until a little bit later in the day.

[*Translation*]

Mr. Fortin: Mr. Chairman, we are now on clause 14 of Bill C-207, respecting the organization of the Government of Canada and matters related or incidental thereto.

As the hon. members opposite know, I have already dealt with this clause, but in view of the extensive powers the government seeks in this clause, Mr. Chairman, this question cannot be settled through only one or two interventions. It is therefore my duty to intervene again, not to repeat what has already been said, but to raise further points.

Mr. Chairman, I should like first, for the benefit of my hon. colleagues, to underline three quite distinct points.

Under clause 14 of this bill, the government wants to assume the right to appoint five more ministers of state.

But there are already 29 ministers. The government also intends to appoint, under Part IV of this bill, 13 additional parliamentary secretaries.

In short, this bill will create 18 new positions at a high salary. It might be advisable to ask why, and I shall come back to this later on.

The second point I would like to emphasize is that because of the excessive number of technocrats in the federal administration, fewer and fewer powers are devolved to parliament in the legislative field, while more and more are granted to the creatures of the executive power, that is to technocrats or experts who are not answerable to the Canadian people.

Indeed, the more ministries of state and departments are created, the more power will be secured by the technocrats, the would-be experts who, unfortunately are not answerable to the people, so that the member of parliament wonders exactly what his role is in parliament, why he is elected; for, if the government is allowed to continue operating as it does at the present time, not only will the role of the member have to be redefined—which might not be a bad idea—but it will have to be discussed and updated.

Mr. Chairman, I would like to bring up a third point: thanks to the roster system set up by the prime minister (Mr. Trudeau), from 110 to 130 Liberal members will be given higher indemnities, indirectly, for some reason or other, and this without submitting to the test of public opinion.

Mr. Chairman, that is third point which we must not be afraid to raise in this House, because it shows us another aspect of the problem. But let us come back to the first one. So they intend to create 18 new posts. It is known that there is at present more than 29 departments and 16 parliamentary secretaries. One this bill is passed, five more ministers will be appointed; consequently there will be 34 ministers and as many parliamentary secretaries.

Why? Will the establishment of a ministry of state, a department or a Crown corporation be more beneficial to the population? Will five more ministers, five or thirteen more parliamentary secretaries do better justice to the Canadian population? Will a greater number of members with special assignments allow the population to take a greater part in the administration of public affairs?

Mr. Chairman, of course the answer is no. Canadians cannot take part in the administration of public affairs. I think that the government introduces this bill as an excuse for its failure in governing.

The other day, I dealt briefly with a comical situation which already occurred and which is so plausible that it might occur again tomorrow. Assume that there should be tomorrow a shortage of jobs for students, as it is already the case now. The government would be faced with a serious emergency from coast to coast. It would not know what to do with the young students. In fact, in 1972 for instance, there will be an additional 300,000 undergraduates on the labour market, not to mention the present unemployment problem. This means that this government which has no solution today will not have any tomorrow.

On the one hand, the government is blamed by the population because it does not have any direct and immediate solution to the problem. On the other hand, criticisms keep on increasing because it has not solved the basic issue which is the monetary problem. It goes on following patchwork policies, suggesting makeshift solutions but does not settle the problem.

The latest gimmick used by the right hon. Prime Minister to cover up his lethargy and his imcompetence is very simple: the widely-publicized establishment of a ministry of state and the appointment of some member who is yearning for a title, new powers or a pay raise. With a lot of drum-beating, this new ministry of state which will precisely tackle the problem of summer jobs for students will order inquiries throughout the country, as if we did not know that there are often problems in Canada. Studies will be made, commissions will be created under the authority of this new ministry, and public opinion will be entertained, not on the basic problem but on the surface problem, that is, publicity around this ministry, in the hope of keeping people's minds off the basic problem.

Mr. Chairman, we have 29 departments now. Is the situation better today than it was when we had 25? No, Mr. Chairman. There has been a lot of commotion in government since the Prime Minister came to power, but has the creation and abolition of departments, the changing of names, what I like to term this "fooling around", has all that solved the problem? No! In fact, the only result was to amuse some people, the Liberals, and not to create more justice, more freedom and more security for Canadians.

Mr. Chairman, we in Canada are not asking for changes in department names or in the number of ministers, but for an in-depth reform. It is not a question of giving numerous titles to people who are mad for power. On the contrary, one must forget one's personal interest and deal truly and honestly with the fundamental problem.

Furthermore and this is even more serious, administrative costs are excessive and constitute too much of a load for Canadians. The cost of administrative services is out of proportion to the income of Canadians.

Mr. Speaker, on pages 21 and 22 of the booklet published by the Canadian government and entitled: "How your tax dollar is spent", it is said, regarding the Department of Regional Economic Expansion, under "economic development and support", that for primary industry alone, administration costs—and not what industries are given to assist them—will be $13.8 million in 1971-72. Last year, they amounted to $12 million. In one year, they have increased by $1.8 million.

One could find similar examples in the case of other departments. For the Department of Labour, administration costs will be $13 million for 1971-72, while in 1970-71 they reached $9.8 million. This is a rather considerable increase. Why? The Canadian people are still waiting and trying to guess.

As regards the Department of Transport and Communications, its administration will cost over $29.8 million in 1961-1972. The expenditures of the same department totalled $23 million last year, which means they have increased by $6.8 million in one year. Is this in order to give better service to the Canadian people? No, Mr. Chairman, but in order to give greater authority and better working conditions to technocrats, and to increase the number of officials who pester people with all sorts of inquiries and plans.

As far as the internal overhead expenses of the government are concerned, it is mentioned that the government cannot foresee the correct amount. The exact wording is as follows:

Contingencies Vote

What does it mean? Without trying to understand, Mr. Chairman, let us be content with what is said.

Mr. Béchard: This is a far-sighted government.

Mr. Fortin: It reads as follows:

Contingencies Vote

Seventy-five million dollars are provided for unforeseen spending and salary increases. Last year, the amount was $63 million or $12 million less. Perhaps those figures are not sufficiently eloquent. Here is what we read with regard to "General Government Services":

Legislative—salaries, operating costs of Parliament, election expenses and Auditor-General—

Those items will cost $36.1 million in 1971-72. This cost $32.3 million last year. This is an increase of $4 million.

The collection of taxes is a very interesting aspect.

• (3:20 p.m.)

On page 27 of the same brochure it is said and I quote:

National Revenue—costs of collecting taxes—

Does anyone know how much it cost to collect taxes from the Canadian taxpayer and pay technocrats during 1971-72? The cost was $184,300,000. For the previous year, in 1970-71, the cost was $164,500,000, that is an increase of more than $20 million in one year.

Mr. Chairman, there is no point in proceeding any further with this demonstration to prove that the government believes that it does not have to serve the people.

Mr. Chairman, it seems the government feels it is its duty to serve the technocrats, the civil servants, for its own purposes but not to serve the Canadian people or parliament.

On page 18 of the same publication are printed the words of the President of the Treasury Board (Mr. Drury), who is sitting in front of me but not listening to what I have to say, and I quote:

The government does not necessarily have to spend vast sums of money in order to meet its policy objectives.

That is a little too strong, we have to admit. In that booklet, the government states that it does not necessarily have to spend vast sums of money for the people. At the same time, he introduces bill C-207, asking for a free hand to establish, at his discretion, five ministries of state, without telling us what field they will be covering, without telling us what their relationship with parliament will be, taking power away from parliament to increase the power of technocrats and the executive. In fact, while the government is about to appoint sixteen more parliamentary secretaries, here is what it tells us:

The government does not necessarily have to spend vast sums of money in order to meet its policy objectives.

That is an insult to the Canadian people. It is the government's constitutional right to levy taxes from taxpayers, but it is also its duty to provide services commensurate with the taxes levied.

The same government says that it is entitled to levy taxes but without being obliged to spend for the people. That is the ridiculous situation in which we are now.

Last week I mentioned the increasingly decisive influence of technocrats on the government.

Mr. Chairman, I have very interesting statistics that can be found on page 19 of the publication of the Treasury Board, and I quote:

Thereare two ways to look at the overall spending program—one by department and the other by the objectives or functions being served. The Blue Book necessarily sets out amounts for each of the 80-odd Federal departments and agencies,—

Mr. Chairman, "80-odd departments and agencies" are presently heading this government, directly under the executive power. To hear our opposites, this would not be enough to administer the country. This means enormous administrative costs which drain revenue and prevent a really efficient administration, because we are tripping over technocrats and this does not make sense. The situation is now reaching gigantic proportions and is really ludicrous.

This is why I so fiersely oppose the passing of this clause 14, inasmuch as it is a direct attack against the powers of parliament.

This clause states that "the Governor in Council may, by proclamation, establish a Ministry of State for that purpose". Last week, I proposed an amendment stating that instead of the Governor in Council being able, by proclamation, to establish a ministry of state, it would be done by the Canadian parliament may through legislation.

I would like to ask the President of the Treasury Board why the establishment of the 29 other departments had to be submitted to parliament and approved by legislation, whereas the government now forgets this constitutional right and would willingly let the Prime Minister establish whatever departments he wishes in fields of his choice without submitting such projects to parliament. That is senseless. That again is prejudicial to the rights of parliament.

The choice we have to make today is not an easy one, but it is clear. Either we shall continue to abuse the system, increase the number of departments, Crown corporations and ministries of state, grant powers, pay salaries and give titles to technocrats, who will abuse such powers without being responsible to the people, or we

shall give back to the Canadian people their right of scrutiny over the administration.

• (3:30 p.m.)

[*English*]

The Chairman: Order, please. I regret to interrupt the hon. member but I must advise him and the committee that his time has expired.

[*Translation*]

Mr. Lambert (Edmonton West): Mr. Chairman, I deeply regret that the Parliamentary Secretary to the Minister of Justice (Mr. Béchard) is not here, he who the other day was complaining when I told him that I was going to continue with my remarks—he was here a moment ago—and I would hope that he will honour us with his presence so that I may address my remarks particularly to him.

I see that he is just coming in and I can outline the substance of my speech.

[*English*]

When speaking on this bill the other day, Mr. Chairman, I indicated that this part of the bill would greatly add to the powers of the Prime Minister. I indicated at that time that, in my opinion, the office of the Prime Minister of Canada was far more powerful than that of the president of the United States and, as a political office, far more powerful than that of the prime minister of Great Britain in the same sphere. I do not mean a comparison as to their positions in the world. That would involve different considerations.

I wish to deal briefly with what the Prime Minister of Canada can do once he has assumed that office. The cabinet, within the political considerations of his party, is entirely his choice. He answers to no one except his own party with regard to the choice of his cabinet. There is no necessity to submit the names of the cabinet for ratification, as is one in the United States. Up until a couple of generations ago, we had a practice whereby any one named to the cabinet had to resign and the name of that person was resubmitted to the electorate by way of a by-election for approval. That no longer applies.

In the United States, certain individuals who have been proposed as cabinet ministers have encountered considerable opposition either in the Senate or in the House of Representatives. The last example I can think of was the nomination of the former secretary of the interior, Walter-Hickel, which was approved only after a great deal of difficulty and persuasion in the house. No one should be under the illusion that the President of the United States is free to do as he wishes with regard to his cabinet. In Great Britain, there is no requirement for ratification.

With regard to the Senate of this country, the nominations to that place are entirely within the control of the Prime Minister. The appointments are directly attributable to the Prime Minister. To that extent, Mr. Chairman, he controls a great deal of the political life and happenings within Parliament. I will not go into detail except to state that he has absolute power with regard to appointments to the other place.

In the United States, the Senate is a second legislative body, subject to vote by the electorate and is a counterbalance to the powers of the President. Any one who wishes to say anything on the subject should read American political history. He will see that in many instances the United States Senate, even if it shares the political views of the President, will not side with him and in fact may turn him down. The most recent example of that is the support the presidency gave to the further construction of a supersonic air transport. When the senate turned it down by refusing to continue the funding, that was the end of the program, although it was against the will of the president. There is no such thing in this Parliament. After the legislation comes down, unless the House itself becomes very difficult, the Prime Minister merely sticks to his guns, his majority ultimately votes in its favour and it becomes law.

• (3:40 p.m.)

In Britain, prime ministers must take account of the House of Lords. It is true the powers of that body have been curtailed over the years. The British prime minister has no power over the composition of the House of Lords, except in so far as peers are nominated; there is a body of hereditary peers over which he has no control. There can be no doubt that the presence of the House of Lords has greatly influenced decisions British prime ministers have reached with regard to certain pieces of legislation.

Consider appointments to the judiciary. Appointments to the Supreme Court of Canada are the prerogative of the prime minister and no ratification of those appointments is required. In the United States, recommendations for appointment to the Supreme Court are subject to ratification and in the last three years we have seen just how far this revisionary power can be exercised. Both Presidents Johnson and Nixon have seen their nominees refused by the Senate.

In England, there is no provision for ratification of appointments to the bench or to the High Court, although it is accepted that hereditary peers can form part of committees of the House of Lords, and they do. To this extent, there is a restriction on the power of the prime minister.

Appointments to representative posts abroad are usually made from within the public service, but the man who has the final say with regard to major appointments is the prime minister. Appointment to be an ambassador to a foreign country is not subject to ratification. In the United States, searching examinations of potential holders of major ambassadorial posts can be carried out and approval can be withheld. In Britain, there is no similar practice.

Appointments to positions as parliamentary secretaries can be made here at the whim of the Prime Minister. He is apparently of the opinion that there should be a complete turnover every two years. Others have felt the period should be one year. But the Prime Minister is the man who determines who shall be a parliamentary secretary and to what minister. In Britain, the position is the same. In the United States, there are no similar appointments.

Now, I come to my final comparison. The Prime Minister can always hold a sword over the heads of his cabinet, the parliamentary secretaries and any of his supporters in the chamber by threatening to call an election. It is at his call, and his call alone, that a recommendation for the dissolution of Parliament can be accepted by the Governor General. This does not apply in the United States, if only because the dates of elections are fixed under the terms of the constitution. No President of the United States can hasten or delay an election. I know that in the history of this country on many occasions when government backbenchers and parliamentary secretaries were proving recalcitrant or critical of the conduct of a prime minister, the answer has been: If you don't like it let us call an election and we shall see then how many of you will get back. This made them toe the line, Mr. Chairman.

An hon. Member: Oh.

Mr. Lambert (Edmonton West): I am sure the Parliamentary Secretary to the Minister of Finance, the hon. member for Calgary South, could, if he were prepared to break some confidences, tell us about some instances of which we have become aware through that authoritative source of information, the leak from caucus. These are the points of comparison I bring to the attention of the committee between the powers exercised by the Prime Minister of Canada, the Prime Minister of Britain and the President of the United States. The proposal before us today would make the Prime Minister of Canada even more powerful. I admit that within the cabinet there is a kind of political responsibility, but the power of the office of Prime Minister is unrivalled in regard to these five ministries of state, ministries whose name could be changed, whose function could be changed, ministries which could even be wiped out altogether by order in council. Even an order in council is, in fact, an order made by a cabinet under the dominance of a prime minister.

Another point I wish to emphasize is this. In clause 16 of this bill there is a power to vary by order in council the purpose or the objectives of a ministry of state. I would say that this would include the power to change the purpose for which money had been asked for or voted by the House. This is a power which has been denied to government in other cases. Indeed, Mr. Speaker has ruled that the government does not possess the power to change the purpose for which money was estimated and granted by the use of orders in council.

An attempt was made to do so in the case of the Dominion Coal Board, but it was ruled that the government did not have the power to vary the allocation of moneys voted on behalf of the board. Yet, here we are being asked to give carte blanche when it comes to altering the objectives, the composition and the financing of ministries of state. An attempt is being made to stampede the House into accepting this proposal by exerting all kinds of pressure. I could name member after member on the other side who must, surely, find it extraordinarily difficult to countenance legislation of this kind even for one moment. It is something which has never been done before and there is no reason to try it out now.

• (3:50 p.m.)

I talked the other day about efficiency and quick response. Why does not the parliamentary secretary set up a dictatorship? That is the most efficient and quickest way to get a flexible response. But in the view of the parliamentary secretary from Bonaventure, anything that is proposed by the government has been inspired by some divine source and can have nothing wrong with it; therefore, we should bow low and be thankful that we have such wise masters. That is the way Liberal members think. They think they own Parliament and the people of Canada.

An hon. Member: They are your words, not ours.

Mr. Lambert (Edmonton West): But the actions are yours. The words uttered by hon. members opposite may well be Charlie McCarthy words for all I know. Certainly, the Prime Minister is the man in this House who said: "We are masters of this Parliament". According to the Prime Minister, members on the government side are the masters, but this is not the case. Never will I vote for a proposal whereby moneys voted by this Parliament may be diverted to another purpose by order in council. I suppose this is the government's way of trying to get around the ruling made by the Chair the other day that one cannot legislate by supplementary estimate. Under this proposal, the government would not have to worry about adding a supplementary estimate; they can legislate new provisions entirely by order in council.

It is a good thing that I let a period of time elapse between my last speech and this, because in the interim we have had the benefit of that really gem performance of the Minister of Energy, Mines and Resources. Frankly, Mr. Chairman, if one contemplates the possibilities under this proposal, it could turn out that that minister could be made a minister of state for economic affairs. And what a green-eyed disaster that would be!

I deny, of course, that the minister is correct when he says that presidents of Canadian banks have no right to speak out. They can criticize government proposals, whether in Canada or outside. I am not going to hold a brief for what they said, but I suggest that they do have the right to say what they said. I would like to hear what the Parliamentary Secretary to the Prime Minister would have said had those particular gentlemen been laudatory of government programs in any way. I suppose it would then have been suggested that they be offered seats in the Senate; that they should be taken as witness of the efficacy or value of government action. But because they dared criticize, the Parliamentary Secretary to the Prime Minister has the unmitigated gall, the impertinence, to suggest that one particular bank president be fired. I would have thought that the man who had earned the right to be fired was the parliamentary secretary.

An hon. Member: Who is it you are talking about?

Mr. Lambert (Edmonton West): I suppose the parliamentary secretary was talking about the former governor of the Bank of Canada, who was making a speech in his position as president of the bank. However, I suppose hon. members opposite do not have the slightest concern for relevancy or whether any names or situations are at all parallel. Anything that pops into that wide open space between the ears rattles around and then comes out again.

If presidents of Canadian banks do not have the right to speak out on their own, then what right has the Secretary of State? It is alleged that he has the right to express his personal views, as he has in his book, even though he may disagree with those of the government. That is all very fine if that is the position taken by the government; but why single out individuals for comment and then go on to suggest that government must sit on the boards of Canadian banks in order to control individuals on those boards, as has been suggested in this particular instance?

The Chairman: Order, please. I regret to interrupt the hon. member. I do so to advise him and the committee that his time has expired.

Some hon. Members: Continue.

The Chairman: The hon. member may continue if there is consent.

Mr. Lambert (Edmonton West): If there is consent, Mr. Chairman, I can finish fairly shortly. All I am saying at this time is that I suggest to the parliamentary secretary from Bonaventure, and to all other hon. members, that if they study these particular clauses dealing with ministries of state they will see how insidious and dangerous a situation is being created. It may be, of course, that so many of the hon. members opposite are carolling or singing, hoping to draw attention to their own particular qualifications so that they might be among those who are upgraded for the various positions that will be open.

I should like to hear one hon. member opposite, and not one has yet done this, stand up and justify with valid reasons the creation of ministries of state of this kind with the power to change by order in council not only their composition but their tenure of office, their purpose, and the purpose to which their funds are directed.

Mr. Gillespie: Shocking!

Mr. Lambert (Edmonton West): The Parliamentary Secretary to the President of the Treasury Board is a great one to say "shocking". We know the degree of omniscience with which he approaches a given position; he thinks that if the members on the government side think something is all right, then it must be all right. I suggest to the hon. member, whom I have known for a long time, that if he sat over on this side of the House for a while he would see that it is a far cry from being correct merely to sit on the government side and approve all ideas that emanate either from the cabinet or from the administration. After all, one has to sit on the government side for only a short time to become aware of the influence of the bureaucracy and of certain individuals within the bureaucracy, the mandarins. This proposal is made to order for the mandarins and for those who populate the Prime Minister's office. Since the Prime Minister his broken through the ceiling of $1 million in salaries in his own, personal office, I suppose we can expect a further expansion.

• (4:00 p.m.)

Certainly, all these ministries of state will have to be supported. The parliamentary secretary says "looked after". But it will mean jobs for the boys. It will be very nice, boys, too, at salaries of course which will set a great example for the whole country. But may I say this, Mr. Chairman: I must share the views of many of my colleagues who say at this point they will not allow this measure to pass. A great deal more explanation must come forward. As a matter of fact, there is one man who should come into this House and give the explanation concerning why he wants to change the composition of this cabinet. No cabinet ministers have been here at all, except merely to sit, except perhaps for the President of the Treasury Board.

An hon. Member: He is the one on duty.

Mr. Lambert (Edmonton West): Yes, but it is not his duty to explain this legislation.

An hon. Member: He has been delegated by the Prime Minister.

Mr. Lambert (Edmonton West): Mr. Chairman, the President of the Treasury Board may have been delegated by the Prime Minister, but the Prime Minister owes it to this House to come here personally and say why he wants his cabinet changed. Perhaps government members have forgotten that the cabinet is responsible to this House and believe they are the masters. So far as I am concerned, that is for the birds.

[*Translation*]

Mr. Beaudoin: Mr. Chairman, I am happy to express my views for the first time on Clause 14 of Bill C-207 which I consider very important, as does my hon. friend the member for Lotbinière (Mr. Fortin).

This bill is one of the most important, particularly with respect to Clause 14, which gives the Governor in Council the right to increase the number of ministers from 29 to 34 and the number of parliamentary secretaries from 16 to 34, an increase of 18.

I do not doubt, Mr. Chairman, that many hon. members on the government side can indeed fulfill the office of minister or parliamentary secretary. However, I should like to call the attention of the House to the fact that in order to decide if the government should spend more money in the administration, we should know first whether this would be profitable for the people of Canada and if this would make a serious contribution.

Would it not be necessary now to give some consideration to the administration of the already existing depart-

ments in order to reorganize them, before setting up new ones?

The hon. member for Peterborough (Mr. Faulkner) said the other day, as he was blaming the opposition for objecting too much to Bill C-207, that he thought it was a very innofensive piece of legislation of no great importance. If this is true, I would call upon the Prime Minister (Mr. Trudeau) or the minister who introduced this bill, to withdraw it immediately. We could proceed to the consideration of more serious legislation, if this bill is really innoffensive and of no great importance.

But if the minister suggests that the bill before us is of some importance, and that its aim is to increase administrative efficiency, it would be necessary first to know whether its passage would be really profitable.

I note that very often certain departments only operate against Canadians and particularly against producers.

Mr. Chairman, I would like to draw the members' attention to the report of the proceedings of the Senate Committee on External Affairs dated November 4, 1970, regarding what I consider as poor administration. I would like to quote some excerpts from this report.

Senator Macnaughton was asking the hon. Minister of Industry, Trade and Commerce (Mr. Pepin) what was the matter with meat imports, particularly lamb from New Zealand. As a matter of fact, the question was as follows:

Mr. Minister, I would now like to turn to New Zealand, and include with it the meat problem of Australia. You mentioned yourself the possibility that Great Britain may make the European Common Market in due course. Needless to say, as you so well know, the New Zealanders are extremely upset. Here is their assured market which may be in jeopardy.

Is Canada considering possibly stepping into the shoes of Great Britain and stepping up the importation of lamb from New Zealand and meat from Australia, on three grounds: firstly, we need a secondary source of cheaper meat than filet mignon every day; secondly . . .

Mr. Gibson: Mr. Chairman, I rise on a point of order . . .

The Chairman: The hon. member for Hamilton Wentworth on a point of order.

Mr. Gibson: Yes, Mr. Chairman. I want to say that the hon. member is out of order because he is talking about New Zealand lamb. This is not the matter under consideration and I protest.

[*English*]

The Chairman: I think the point of order of the hon. member for Hamilton-Wentworth is well taken. However, I do not wish to seem to be too strict in this particular debate because I believe other hon. members have wandered a little at times. I hope the hon. member will try to stay on the subject.

[*Translation*]

Mr. Beaudoin: Mr. Chairman, I thank the hon. member for having raised this point of order, but I do not think I am out of order for drawing the attention of the House to the administration of existing departments.

That is what I said at the outset and it will not take long to make my point. I resume the quotation, with your permission—

Mr. Boulanger: Permission is not granted.

Mr. Beaudoin: I quote the rest of the question:

—and thirdly, Great Britain has to, as you have so wisely said, consider a market of 300 million and not a market of 50 million—

Here is how the minister answered:

I am pleased to tell you that this has already taken place. Mr. Burns might explain.

Mr. Burns is Assistant Deputy Minister for External Services in the Department of Industry, Trade and Commerce. Here is his answer:

Mr. Chairman, the Canadian tariff on meats from Australia and New Zealand is a very low one, of the order of a quarter or a half a cent a pound—

Mr. Boulanger: On a point of order, Mr. Chairman.

[*English*]

The Chairman: Order please. The hon. member for Mercier is rising on a point of order.

[*Translation*]

Mr. Boulanger: Mr. Chairman, you have just called the previous speaker to order. Now, after having recognized that you were justified in doing so, he said he would continue in the same vein.

Mr. Chairman, you can tolerate this situation, but if you want the Standing Orders to be respected, you will have to recognize that the hon. member does not abide by them.

An hon. Member: Hear, hear.

• (4:10 p.m.)

[*English*]

The Chairman: The hon. member for Hamilton Wentworth raised a point of order. I think the hon. member for Richmond may be straying a bit far, and perhaps he would try to confine his remarks to the part with which we are dealing.

[*Translation*]

Mr. Beaudoin: Thank you, Mr. Chairman. I want to show how effective are the present departments before determining if the creation of others would benefit Canadian producers. I continue with Mr. Burns' answer:

There has been a very sharp increase in meat exports both from Australia and New Zealand in the last 18 months.

Is this sound administration, Mr. Chairman, especially with respect to our Canadian producers who find that the price of their products vary by 4, 5 or 6 cents per pound from week to week? Do you think, Mr. Chairman, that with departments such as these and such irresponsible people—I restrict myself to this particular field because I did not have time to consider the whole question—we will get somewhere? As a matter of fact, we, of the opposition, must be everywhere at once.

With respect to farm production, does our present Department of Industry, Trade and Commerce, in the manner it operates, benefit the people who come under it?

The more the government creates departments and, by the same token appoints parliamentary secretaries, the more it will have to establish royal commissions, etc. The more departments, the more public servants; the more public servants, the more "tripping", and less progress is made.

Mr. Béchard: It is good for animals, it is good for sheep.

An hon. Member: There are enough sheep on the other side.

An hon. Member: Some are in New Zealand, and some on the other side.

Mr. Beaudoin: Let us leave the sheep in New Zealand. Is it patronage-minded leaders we want or capable ministers? I said before, Mr. Chairman, that some members on the other side of the House can become excellent ministers and parliamentary secretaries. However, would it be profitable for us? We should know what we are buying, what administration is costing us, before we appoint administrators.

Since 1968, the cost of administration has increased by some 70 per cent. That's enough. With unemployment and with the tax collector stealing from their pockets, small wage-earners will certainly take a dim view of an increase in the number of ministers, of parliamentary secretaries, of civil servants, and in the cost of government administration.

I wanted to say a few words to call the House's attention to this oversize expense game. I wanted to say that I am against this bill, and particularly against clause 14.

[*English*]

Mr. McCutcheon: Mr. Chairman, I suppose everyone who speaks in this Chamber subconsciously worries about being original and about avoiding repetitious remarks. But I may say at the outset of this intervention that I make no apology whatsoever for being repetitious if that is necessary. I have no concern whatever about repeating arguments that have been made before, because it may take a lot of repetition before the people of Canada are aroused to see just what is happening. It may also take a good deal of repetition to arouse the innate decency of the government backbenchers. I am amazed at all this talk of obstruction and delay in connection with this piece of legislation.

The hon. member for Peterborough, in his intervention last Friday, mentioned that we had been debating this bill for 17 days, and another hon. member said we had been debating it for 20 days. Who knows? I suspect that both of them grabbed these figures out of the air, but even if it takes 37 days or if it takes 70 days it will be worth it, in my humble opinion, to delete this part of the bill.

It has come to my attention through scuttlebut around the hill that it is being said: what is the difference, the government does not have any legislation ready anyway so we are really not holding up anything.

An hon. Member: There is the unemployment insurance bill.

Mr. Baldwin: Bring it in.

Mr. Boulanger: You are not the government. You had a chance in 1958.

The Chairman: Order, please. The hon. member for Lambton Kent has the floor.

Mr. McCutcheon: I thank you, Mr. Chairman. I was going to refer to the fact that there are three particularly obnoxious clauses relating to ministries and ministers of state, and these are clauses 14, 20 and 23. I say to the government in all sincerity—because I think I am a reasonable person and I am anxious that some parts of this bill be enacted—that we should split this bill and only keep parts I, II, III and VII. If I am any judge of members in this place, I say that those parts will pass virtually automatically.

Mr. Béchard: Why don't you vote, then?

Mr. McCutcheon: All you have to do is withdraw parts IV, V and VII and resubmit them in another form. I will then guarantee you that the bill will become law very quickly.

What is the crux of this debate? It is very simple. We on this side do not object to the appointment of extra ministers when it can be demonstrated that a need for these extra ministers exists. But what we do object to is the method used in this instance. Ministers without Portfolio can be appointed and their pay must come from an appropriation account. In other words, we have to scrounge around to find the money to pay them. What is wrong with that? If it can be proven to Parliament that there is justifiction for such an appointment, there is no problem getting that ratified. In his intervention the other day, the hon. member for York East pointed out that backbenchers in this chamber could not stop anything, could not do anything. Maybe he was partially right, but I submit that at least in such a case the people of Canada would know. They would be told why it was necessary to have another minister. That is very important in parliamentary democracy, but under this method salaries are provided by statute. There will never again be a chance to question why these appointments were made. We are being asked to accept this proposal on a take it or leave it basis, by one man rule.

• (4:20 p.m.)

What will all this mean? How many other ministers will there be? By how much will bureaucracy increase? Is this a bill to appoint five or six new ministers? I submit that because of the woolly way in which the bill is worded it would be quite possible for every member on the government side to receive an appointment. There is just no ceiling. So far, not one government member has come forward with a reasoned argument in support of this measure. I have been sitting here waiting for some-

one to come out with a reasoned sales pitch, to explain to me why I should support this measure.

If the government backbenchers believe in this thing they should be prepared to stand up and be counted. They should say we should do it for this reason, that reason or the other reason. But has that happened yet? I ask you to read the debates. The best interjection from the government side so far was by the President of the Treasury Board last Thusrday. At that time he told me to read the bill. I thought that was rather profound, coming from him. I have read the bill, and I have read the speeches made on it. The only contribution from the government side has been to point out that patronage exists in other legislatures. In my opinion, that is a very weak argument. Let us admit that it does exist in other places. Does that make it right for us? I think not.

The only contribution by the hon. member for Peterborough, for whom I have the highest regard and respect for his academic background, his integrity, and for his being a former deputy speaker, was to point out that in 1959 a resolution regarding parliamentary secretaries was introduced in this House. I am not going to stoop to that type of nit-picking, but let the record show that that bill in 1959 replaced a previous act that had been brought in by a Liberal government. But this is specious argument, and I don't like it. On Thursday last, the hon. member for Mercier made a sincere intervention in the debate. He did not need to, but he apologized for his English. I salute him, Mr. Chairman. His remarks were well made. I sincerely wish I could do as well in his language as he did in mine.

I am astounded that government members have given so few reasons to support the bill. But there was one exception. We all know that the hon. member for York East is an independent thinker. I admire his intellect. I do not always agree with him, but I respect his judgment. As recorded at page 4798 of *Hansard* he said:

> This bill proposes to create a few or any number of ministers of state.

He can see the loopholes in it. He went on to point out how pessimistic he was about Parliament, and as recorded later on the same page he said:

> No hon. gentlemen opposite can say that he really has the power to change anything, and none of us on this side can say it either.

I cannot share his pessimism about the way this institution works. I was not sent here to give up my right to be heard on behalf of the people of Lambton-Kent, and to try to make changes. I was not sent here to be a rubber stamp to an arrogant government run by one man. Attitudes here, Mr. Chairman, are appalling. One voice here last week was heard to say, "We've got a winner." He was probably referring to the Prime Minister. I say to hon. members opposite: don't let it go to your heads, boys, because under our system of representation, which incidentally, Mr. Chairman, is another subject—

Mr. Deachman: Would the hon. member permit a question with regard to a point he has made?

Mr. McCutcheon: As soon as I conclude my remarks I will be happy to answer questions from the hon. gentleman.

Mr. Deachman: This is just a factual point. I think he made an error, and I believe the hon. member might like to explain it if I am incorrect. He said that the bill would create any number—

The Acting Chairman (Mr. Richard): Order. Does the hon. member for Lambton-Kent wish to accept the question?

Mr. McCutcheon: I told the hon. gentleman I would be prepared to accept questions from him at the conclusion of my remarks. I only have 20 minutes. I was saying that under our system of representation—

• (4:30 p.m.)

Mr. Jerome: A point of privilege, Mr. Chairman.

The Acting Chairman (Mr. Richard): The hon. member for Sudbury on a point of privilege.

Mr. Jerome: In his contribution to the debate on this clause, the hon. member has said that any number of ministries of state may be created or any number of ministers of state may be appointed. Clause 17 of the bill reads:

> The Governor in Council shall not, pursuant to section 14, establish ministries of state so that there are more than five such ministries in existence at any one time.

I wonder if the hon. member would not admit that this does not provide for "any number" but provides for a specific number only and that he would be in error—

The Acting Chairman (Mr. Richard): I think the hon. member is entitled to make his contribution, and if any other hon. member wants to deny his allegations or correct them it can be done in a future speech.

Mr. McCutcheon: Mr. Chairman, this intervention is typical and is just a stalling tactic. I would refer the hon. gentleman to the remarks I have made, and I would further refer him to clause 23 to see how that relates to the clause he quoted. But may I continue?

Our system of representation has given the government a majority, but I would like hon. members opposite to remember that in the 1968 election, 4,375,115 people voted against this government while 3,609,539 voted for it. I ask, therefore, who has the greatest responsibility, government members or members in opposition who have tried their best to represent the majority? I say through you, Mr. Chairman, to the hon. members opposite, "Don't be so cocksure of yourselves; remember you don't have the divine right to rule." We on this side of the House represent a lot of people as well.

Last Thursday night, Mr. Chairman, the hon. member for Kitchener made a spirited intervention in this debate. His remarks in support of this section of the bill can be found on page 4835 of *Hansard*. He said, "Patronage is very evident in the province of Ontario." He went on to

say that he also supported a private members' bill, submitted by the hon. member for Cochrane, providing for the appointment of Members of Parliament to boards and commissions. The government whip, and I am delighted to see in the House, in an effort to assist his colleague as all good whips do, posed the following question as recorded at page 4835:

> Is he aware that according to press reports, of all the members on the government side of the Ontario legislature only eight fail to receive additional income above and beyond their $12,000 emolument? This is in the last fiscal year.

That is not a defence of this bill, Mr. Chairman, but it seems to me that it was meant to point out that since there is supposed to be patronage in another jurisdiction it must be all right to have it here as well.

Mr. Francis: Could I ask the hon. member a question, Mr. Chairman?

Mr. McCutcheon: Just as soon as I finish my remarks. I ask hon. members opposite, do they approve of this in Ontario or any other place? Do they condone this practice? If they think it is wrong in Ontario, why do they support it here? Two wrongs don't make a right.

Look at what will happen to members of Parliament in the future. A move is under way to move members down to the Commonwealth building, and why? Plans are being made to have Parliament taken over by an elite. When a rubber stamp vote is required a bell will ring and members will climb on the bus which will run every three minutes. I think the Commonwealth building should be renamed Eunuch Hall.

To return to my point, Mr. Chairman, is this a bill to appoint five new ministers or six, or could it be 50 or 60? There is no reference in this clause to parliamentary secretaries or deputy ministers. Does clause 20 refer to deputy ministers or parliamentary secretaries? If it refers to deputy ministers, where do they come from and where do they go later? Are the ones who are let go those for whom we made a provision for extra pension payments in another clause of this bill? And where do we get the expertise—

The Acting Chairman (Mr. Richard): Order, the hon. gentleman's time has expired.

[*Translation*]

Mr. Ricard: Mr. Chairman, I do not intend to keep the floor very long but nevertheless, I have a few remarks to make concerning the legislation now before us, Bill C-207.

I also wish to say, like my hon. friend from Lambton-Kent (Mr. McCutcheon), that there is no need for me to apologize for taking up the House's time, for it is my duty to my constituents to speak in this debate.

I am quite convinced that Bill C-207, if it becomes law, will imply wasteful expenditures and for this reason, I think it is my duty to oppose it.

To me, this bill is like a grab bag of the kind you can buy in any drugstore. It looks good from the outside but you are disappointed when you open it, in the same way as we are disappointed when we read clause 14 in particular.

The opposition is quite justified in doing everything in their power to block the passage of this piece of legislation.

I can easily understand the anxiety of government members who feel they meet the required qualifications to be entrusted with extra duties. But at any rate, let us not forget that Bill C-207 reflects the kind of arrogance and uncompromisingness so typical of this government's actions.

• (4:40 p.m.)

This is why I want to congratulate warmly my hon. friend from Lotbinière (Mr. Fortin) who on several occasions has drawn the House's attention to the deficiencies of this legislation.

I was hoping that the government apprentice whip would have learned something but I think he is a desperate case and that the best he can do is to speak from time to time in an unintelligible fashion.

Mr. Chairman, with Bill C-207, the government is trying to get carte blanche to administer public affairs without consulting the House. If 264 members have been elected by the Canadian people it is to protect them against the extravagances of this government.

I cannot see why our friends opposite do not stand up in larger numbers to defend this legislation. Only a few of them stood up to congratulate the government or to have their presence noted or through loyalty toward their leader so that they be remembered when promotions are distributed.

After a quick study of the measure before us, one can but conclude that the Prime Minister (Mr. Trudeau) would like to increase the number of ministers from 29 to 34, and that of parliamentary secretaries from 16 to 34.

Considering the additional expenses those proposals imply, it is thousands and thousands of dollars that taxpayers will have to pay for such extravagance and the wish to reward the more or less deserving members of government.

Mr. Chairman, I believe that more thought should be given to that matter. It is becoming obvious through press reports as well as radio and television news that the people are beginning to resent that measure.

There could perhaps be another explanation to the proposal before us now. I think it is a roundabout way of rewarding Liberal members only since it is a known fact that during the last election many of them who were not sure of running were promised that the M.P.'s emoluments would be at least $24,000.

In view of ever-increasing pressures, members of the cabinet probably concluded that the best thing to do was to introduce the bill before us now, so as to increase the number of parliamentary secretaries and ministers of state.

Some of my colleagues said self-assuredly, I believe, that almost 140 Liberal members would thus be rewarded

during a government's tenure of office. In other words very few would be unable to get a piece of the pie the Prime Minister wants to give his supporters.

Mr. Chairman, one may recall that when this omnibus bill was introduced, Mr. Speaker mentioned that perhaps the limit had been reached concerning the introduction of omnibus bills in this House.

I should not like to condemn Bill C-207 as a whole.

This legislation surely contains provisions that are on the point of being enacted and I do not see why this government insists on having the whole bill adopted at the present time. If the government listened to reason and simply withdrew clause 14, this legislation would be adopted very quickly.

I must remark that people do not readily understand why in Canada, where the population is about 21 million, this government should try to multiply the positions of ministers and parliamentary secretaries, whereas much larger countries, for instance, the United States and Great Britain, tend to consolidate their departments in order to make them more efficient.

The government stated that this measure was designed to ensure better administration. Judging from the way this government is running state affairs, one cannot help but conclude that more confusion will result. A greater number of people will have to deal with such and such a problem, which will create confusion. Instead of providing the Canadian people with the more effective and decentralized administration which government members seem to want so much, we will have just the contrary.

Just like other opposition members, I can only recommend to the government that they withdraw the bill under study or at least clause 14. The President of the Privy Council (Mr. MacEachen) may rest assured that should he do so, this measure would quickly be passed.

Those, Mr. Chairman, were the few remarks I wanted to make with respect to Bill C-207.

• (4:50 p.m.)

[*English*]

Mr. McCleave: Mr. Chairman, one of the interesting announcements contained in the Speech from the Throne on Thursday, October 8, is the following paragraph:

> To foster coordination of the activities of all levels of government, and to contribute to sound urban growth and development, the Government proposes the re-organization of its urban activities under the direction of a Minister of State for Urban Affairs and Housing.

In reply to my question of March 17 with regard to the ministries of state that would be set up, the Prime Minister stated:

> —we would wish to have a minister of state designated for the purpose of looking at housing and urban affairs.

This is the only opportunity that hon. members, including the former mayor of Toronto who have a great interest in housing and urban affairs, have to say what they think should be included in a ministry of state for housing and urban affairs or, as stated in the Speech from the Throne, urban affairs and housing. Hon members should not miss the opportunity of speaking on housing at this time. Once we have a fait accompli, that is once the ministry is established, it will be very difficult to get any laws changed. Perhaps this illustrates the fundamental weakness of the legislation with regard to the point I have made twice before and will again several times.

As elected representatives of the people, we will not be permitted to get a point of view across if we tame the swell of the ocean by the creation of these ministries of state without anticipating what kind of ministry will be set up. Once the debate is over, we will no longer have an opportunity and Parliament will have lost a great deal more of the strength it once had to react to the views of the people. I make no apology for speaking briefly on this subject. I will be brief because we must go on to other matters at five o'clock, matters which I look forward to with a great deal of interest. I have to attend a committee meeting this evening, so I will have to finish my speech on housing at a later date.

This is the only opportunity for a full-scale housing debate. We must state what the function should be of this reorganized ministry. I presume that the Prime Minister and the government have more in mind than a minister without portfolio reporting to this House on behalf of Central Mortgage and Housing Corporation. In view of the thrust and push of urban problems, there has to be something more. Parliament authorizes the spending of a great deal of money out of the federal treasury to deal with the housing problems of Canada. Therefore, we must have a great deal more say with regard to the policies and programs on which this money will be spent.

The Canadian Federation of Mayors and Municipalities today presented a thoughtful brief to the federal government. It suggested that the near total freeze on urban renewal spending be lifted. There should be some discussion on this matter in this chamber. Are the mayors right in making that suggestion to the minister without portfolio in charge of housing? They suggest that the federal role be largely a funding operation and that the policies with regard to the spending of the money be made with provincial and municipal cooperation. Do we want to hand over vast amounts of money without stating how the money should be spent? That is an important policy question. It is something we have to discuss before this ministry is set up. There are other suggestions, but I cannot state them all in the minute that remains.

The Acting Chairman (Mr. Richard): Order, please. It being five o'clock, it is my duty to rise, report progress and request leave to sit again.

Progress reported.

Business of the House

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie)—External Affairs—Disbanding Commonwealth Committee on Indian Ocean security—Request for statement; the hon. member for Selkirk (Mr. Rowland)—The Canadian Economy—Possible sale of McClelland and Stewart publishing firm to foreign interests; the hon. member for Windsor-Walkerville (Mr. MacGuigan)—Canadian Broadcasting Corporation—Denial of Canadian television programs to Windsor station.

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BUSINESS OF THE HOUSE

OUTLINE OF GOVERNMENT ORDERS TO BE CALLED—PROCEDURE IN PRIVATE MEMBERS HOUR

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, perhaps I could state the order of business. There are a number of points. Following private members hour, it is our intention to proceed at eight o'clock this evening with government order No. 8, Bill C-3, the Investment Companies Act. This will be followed by government order No. 43, Bill S-5, dealing with weights and measures. Following those items, we will return this evening to Bill C-207 in committee stage. Tomorrow, we will begin with government order No. 50, the textile measure. Following that, we will again return to the committee of the whole stage on Bill C-207.

With respect to this hour, Mr. Speaker, on Friday afternoon there was some discussion about the possibility of dealing with Bill S-11 on the basis of the uanimous consent of the House to refer that bill to the committee following second reading. With the consent of the House, it is now agreed that we do that with the exception that a speaker will be heard on that subject. If hon. members are in agreement, following that we will withdraw the bill standing in the name of the hon. member for Timiskaming (Mr. Peters), Bill C-24, which deals with the same subject matter, but the subject matter of the bill will be referred to the same standing committee at the same time. Following those items, we will then revert to the regular order of business for this hour, the notice of motion standing in the name of the hon. member for Pell South (Mr. Chappell), notice of motion No. 25.

Mr. G. W. Baldwin (Peace River): That was one of the better speeches of the day, Mr. Speaker. We accept it.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the hon. member for Sudbury (Mr. Jerome) has clearly stated what has been agreed. I assume agreement to this program carries with it an assurance that when I move for the reference of the subject matter of Bill C-24, after we dispose of the government's bill about rainmaking, the necessary unanimous consent will be forthcoming, it being understood that no speeches will be made at that point.

[The Acting Chairman (Mr. Richard).]

• (5:00 p.m.)

The Acting Speaker (Mr. Richard): Is the House agreed?

Some hon. Members: Agreed.

GOVERNMENT ORDERS

WEATHER MODIFICATION IDENTIFICATION ACT

PROVISION FOR OBTAINING OF INFORMATION CONCERNING ACTIVITIES

Hon. C. M. Drury (for the Minister of Fisheries and Forestry) moved that Bill S-11, to provide for the obtaining of information respecting weather modification activities, be read the second time and referred to the Standing Committee on Fisheries and Forestry.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I insisted on speaking about Bill S-11 for the purpose of giving the House a few explanations about the problems which might rise from this bill.

In 1964, I was the first member in this House to raise the question of cloud seeding. I was the laughing stock of other members and of the press in general. I would like to quote what was written in *Le Droit* of October 23, 1964:

> The House of Commons has certainly been the scene of some unusual questions recently. The Créditiste member for Chapleau, Mr. Laprise, carried the day for ingenuity yesterday, by asking the Prime Minister whether the government authorized the irresponsible people who are seeding clouds.
>
> The members, who were intrigued at first, smiled feebly. And as the member for Chapleau insisted on the importance of his question, quoting *La Terre de chez nous* and *La Frontière* of Rouyn, they could not refrain from laughing. The speaker of the House, with the seriousness of his functions, suggested that the question be put on the order paper.
>
> Then the Prime Minister, visibly taken by surprise and about to burst with laughter like more and more of the members, promised to enquire.
>
> Taking offence, the member for Lapointe rushed to his colleague's help and stated with an incensed taxpayer's voice that this practice of seeding clouds had brought about so much rain in the Lake St. John area that all the crops failed. Again, renewed gales of laughter. Mr. Gregoire, determined not to give up, explained that if city-dwellers did not take this seriously, peasants were fed up with getting their hair wet. He solicited the government's attention.

So they laughed at me. I was practically called an imbecile, a madman and I am glad to see today that the Senate has become just as mad as I was in 1964, since they are introducing Bill S-11 titled "An Act to provide for the obtaining of information respecting weather modification activities."

So, there it is, they want to modify the weather. The concept is taken for granted. In fact, private enterprise and scientists employed by Mr. Bernard Power, owner of the Montreal firm Weather Engineering, have been doing research and development for a long time designed to produce rain or snow. I would not be surprised if the heavy precipitation experienced in areas such as Montreal, Quebec and even Hull-Ottawa last winter was the results of such physical or chemical experiments.

Clause 2 (*b*) of the bill states:

"Weather modification activity" includes any action designed or intended to produce, by physical or chemical means, changes in the composition or dynamics of the atmosphere for the purpose of increasing, decreasing or suppressing hail or lightning, or dissipating fog or cloud.

There now, Senator Paul Martin has become a socialist: We know how this government has found means of imposing direct taxation on private income, indirect taxes in order to redistribute wealth; it takes money from some individuals to give it to others. I think that is precisely the role of the Minister of Regional Economic Expansion (Mr. Marchand) to redistribute wealth. Now, rain is to be redistributed, precipitations are to be redistributed; nature is going to be socialized.

I do not mean that I am against scientific research, but this research should not be conducted at the expense of people, as it was noted during the years 1958 to 1965. In 1964, the Prime Minister of Canada was quite surprised to learn that tests could be conducted on cloud seeding. Either the minister was ill-informed or did not want to give explanations or information about it because some time later, I put questions on the order paper to throw some light on the subject.

According to the answers I was given by the Parliamentary Secretary to the Minister of Transport in 1966, the federal government sponsored experiments on the seeding of clouds from 1959 to 1963. In 1964, the Prime Minister knew nothing about it or pretended not to know anything.

The Progressive Conservative government sponsored such experiments from 1959 to 1963. During those five years, such experiments cost some $607,000,099.23 the Canadian taxpayer. What purposes did they serve? They increased rainfall by 15 to 20 per cent in some areas of Quebec, mainly Abitibi and Lake St. John, and in the Timiskaming riding in Ontario.

Not only was the federal government making and sponsoring such experiments, but so was the government of the province of Quebec at the same time. Owing to losses caused by such rainfalls, the UCC got in touch with and made representations to the government of the province of Quebec, particularly to the Minister of Natural Resources, Mr. René Lévesque. According to that organization, in 1964 losses to farmers in the Abitibi constituency alone exceeded $1 million.

In 1964, it rained in Abitibi for 69 consecutive days. It was not a very heavy rain, but when rain falls every day needless to say that the soil gets soggy and there comes a time even a light rainfall will have harmful effects.

• (5:10 p.m.)

On May 14, 1965, Mr. René Lévesque, another one who wanted to "socialize" the weather, and who is today the leader of the Parti Québécois, turned down requests from the residents of the Lake St. John area. He had received, at that time, a petition signed by 60,000 women and requesting that these experiments be ended. Mr. Lévesque answered: No, there is no question of stopping the cloud seeding.

In June 1965, Mr. Lévesque was forced to change his decision, and he "ordered" rain to stop falling in the Lac Saint-Jean area. This minister could control elements by allowing or asking firms such as Weather Engineering to practice cloud seeding, so as to bring about precipitation. So, Mr. René Lévesque ordered rain to stop falling, so that, during the summer of 1965, in the Lake St. John and Abitibi regions, the people might enjoy 90 days of sunshine.

Mr. Speaker, if governments dare meddle with the weather,—science has advanced enough today to achieve some success—and if they do it at the expense of populations, we do not agree. That is why we made a great fuss at the time and brought pressure to bear in order to have those tests stopped.

Those who want to make those tests should go where there are no people to harm. I have here a letter addressed to my colleague from Kamouraska (Mr. Dionne) and signed by Mr. J. P. Lalonde, secretary of the Air Transport Committee, which refers to a request of the Royalair Company Limited.

The company was asking for a licence of what was then called "air control operations". Those people did not want to talk about rainmaking operations to avoid alarming the population.

In his letter, Mr. Lalonde includes the ruling of the Air Transport Committee explaining cloud seeding in detail. A solution of silver iodide is used, or else "Weathercord" bombs, invented by Weather Engineering, are dropped from an aircraft into the clouds to be seeded. Part of the ruling reads as follows:

The seeding services are ensured by the applicant...

...Royalair Ltd...

...jointly with the Montreal company known as Weather Engineering Services Limited, hereinafter called Weather Engineering. The object of cloud seeding operations is to increase rain—or snow-falls.

That is the purpose of the operation. That is why I am wondering whether, this last winter, there may not have been cloud seeding operations which increased considerably the snow-fall in several areas. Now, Mr. Speaker, I do not want to prevent Bill S-11 from being referred to the Standing Committee on Fisheries and Forestry for detailed consideration, but I simply wish to say why it is necessary to pay special attention to a matter of which many are not aware yet, and which is very important. The bill simply requires that companies wishing to make such experiments must obtain a permit, a licence, and in the explanatory note of the bill introduced by the hon.

member for Timiskaming (M. Peters), namely Bill C-24 there is the following comment:

Following the advent of rainmaking equipment and its commercial use which may infringe on the rights of others; it appears that control licensing and regulations must be adapted to protect the public and make possible the payment of compensation where damage is deemed to result from such use.

I think that the hon. member for Timiskaming goes further than the hon. Senators, because he asks that, if losses are caused by this research, the ones suffering these losses be at least reimbursed.

Mr. Speaker, we know that the government of Quebec, through Hydro-Quebec, through lumber companies, carries out or has carried out such research. We know that the federal government had this kind of research carried out for five years which was, indeed, very expensive. We want closer supervision in that field. The fact requiring permits for experiments of this kind is not sufficient, in my opinion, and we should prevent these experiments above territories occupied by the Canadian people.

Those are the remarks I wanted to make on the matter, Mr. Speaker.

The Acting Speaker (Mr. Richard): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Yes.

Motion agreed to and bill read the second time and referred to the Standing Committee on Fisheries and Forestry.

[*English*]

PRIVATE MEMBERS' PUBLIC BILLS

THE RAINMAKING ACT

MEASURE TO GOVERN, LICENSE AND REGULATE THE OPERATION OF RAINMAKING EQUIPMENT

On the order: Public Bills

October 20, 1970—Second reading and reference to the Standing Committee on Transport and Communications of Bill C-24, an act to govern, license and regulate the operation of rainmaking equipment in Canada—Mr. Peters.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in accordance with the understanding that we had at five o'clock, I wish to move, seconded by the hon. member for Vancouver East (Mr. Winch):

That the order for the second reading of Bill C-24, an act to govern, license and regulate the operation of the rainmaking equipment in Canada, be discharged and that the subject matter of the said bill be referred to the Standing Committee on Fisheries and Forestry.

This is the public bill which appears as order No. 2 on today's order paper in the name of the hon. member for Timiskaming (Mr. Peters). The purpose of the motion is to refer the subject matter of the bill to the same committee to which the bill from the Senate has just been referred.

The Acting Speaker (Mr. Richard): Is it the pleasure of the House to adopt the said motion?

[Mr. Laprise.]

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we are quite willing to do this. My only comment, in view of the terms of the government organization bill, is to ask why it is necessary to do this. I would have thought the government would simply include a clause that the government control the weather by regulation; then we would not need to do what we are doing now.

• (5:20 p.m.)

Hon. Allan J. MacEachen (President of the Privy Council): If we accept the motion, of course, it would be clearly understood it is the subject matter and not the bill itself that is going to the committee.

Mr. Knowles (Winnipeg North Centre): That is what the motion says.

The Acting Speaker (Mr. Richard): Is it the pleasure of the House to accept the motion?

Some hon. Members: Agreed

Motion agreed to.

PRIVATE MEMBERS' MOTIONS

BROADCASTING

REQUEST FOR THIRD VHF TELEVISION STATION IN TORONTO

Mr. Hyl Chappell (Peel South) moved:

That, in the opinion of this House, the government should, pursuant to authority in the Broadcasting Act, consider the advisability of directing the Canadian Radio-Television Commission to hold a public hearing in order that it may consider the possibility of the establishment of a third VHF Television Station in Toronto, and if possible select a suitable applicant in order to provide better service for the three million people in the greater Metro Toronto listening area.

He said: Mr. Speaker, this motion would require the government to direct the CRTC, pursuant to the authority in the Broadcasting Act, to widen the terms of its public hearing, set for September 1971, in order that it might determine the best way to meet the need for better television service in the Metro Toronto area. Any decision based upon the stated terms of the inquiry would do little to improve a very bad situation, would disregard a likely solution and would lock out correction for some years to come.

Metro Toronto should and could have a third VHF-TV channel, independently owned and non-network, and centrally located so as to provide the whole metro area with adequate coverage of general news, political happenings, candidates and cultural activities which it now lacks.

Toronto will not get such a locally oriented VHF channel unless the terms of the public hearing are widened so that applicants may demonstrate how this service can be given. A VHF station located as far away as Paris, Ontario, as the terms of the public inquiry would now

require, would not provide the quality of service nor the total coverage which is essential. The proposed UHF—ultra high frequency or shorter range—channels, one French and one English, to be considered at the same hearing, even if economically feasible, would provide limited or pocket coverage only.

Metro Toronto will not have the benefit of such a widened and full hearing essential to obtaining this locally oriented station with complete coverage unless Toronto business, elected representatives and the public demand it. The cable TV supplement in most of the area and in particular in Mississagua, in my riding, is not available and where it is available is expensive. This proposed truly Metro Toronto station would eliminate the need and thus the cost of cable television for many. All of Metropolitan Toronto will not have cable TV service for years to come. In Mississagua alone, over 100,000 have been waiting for over two years for a hearing to extend the existing service. This new station would provide a most desired coverage quickly and at no cost to the public.

The relatively poor television service for the Toronto area, and the confusion and mystery which surround the whole subject, arise from the fact that there has never been a public hearing for the purpose of establishing just what can and should be done in order to improve the service. In this day of public participation, it is not right that the CRTC should, within the confines of its own office, decide what channels are available for what areas and then hold a public hearing to establish what applicant should obtain the licence. The hearing should also be directed as to what channels might be made available and what can be done to improve the over-all service. In expropriation cases, a department of government must submit to a hearing as to whether it has selected the proper site, which of course invites representation as to more suitable ones. It would not be acceptable for a department of government to say a decision has been made as to what land is to be taken but the public will be allowed to come forward and suggest what may be built on it. A public hearing, confined to the selection of an applicant, falls far short of establishing what is the real need in the area and the means of answering or fulfilling the need. The hearing, as set for September, should be widened and include the consideration of the return of channel 13 to Toronto.

For its vast viewing audience of perhaps four million people, Toronto has the poorest TV service in North America. Other large centres including Syracuse, Rochester, Buffalo and Cleveland, all smaller than Toronto, have three VHF stations. Montreal has four, two French and two English. Toronto has two. By international treaty in 1948, Toronto was alloted three channels but subsequently, in the early 1950's, the CBC—then the governing body—traded channel 13 away to Kitchener and Rochester. The two Toronto Channels, CFTO and CBLT, are the flagship stations of the national networks, CTV and CBC, and because of their national obligations they cannot devote much time to local news and public service. Although they cover happenings in Toronto, by the nature of their network commitments it is generally the type of incident thought to be of national rather than local interest.

Because the choice to the Toronto viewers has been so limited, many residents in Toronto, perhaps 50 per cent, have turned to Buffalo and other United States border cities for selection. While enjoying this United States entertainment, they are inflicted with news and comment on both the local and national scale of United States happenings. Many residents of the Toronto area are more aware of United States political developments than Canadian. As a result, they are disadvantaged and cannot be completely informed or in tune with the Canadian scene. Both Canadian and United States advertisers confirm the immensity of the Toronto viewing audience enjoyed by the Buffalo and Rochester stations. It is said that Canadian advertisers spend approximately $13 million a year in United States border stations. I believe about half of this is from the Toronto area.

Toronto-based firms advertise over Buffalo stations because they cannot obtain time on either of our national networks. United States firms, with subsidiaries based in Toronto, advertise over these same United States stations for the same reasons. Very little, if any, local Toronto advertising is carried by either of the Toronto network stations. It would seem that enough advertising is diverted to Buffalo and Rochester to carry a local independent station which would cover all of the Metro Toronto area. Ontario dollars cross the border in this everincreasing flood and in return we in the Toronto area get United States comment and opinion. While we support these United States stations with our advertising dollars and are exposed to their news comment and opinion, many aspects of our community life are unreported and thus are lost from the Canadian scene.

The Toronto area with its many cultures and activities represents a tremendous source of program material and talent. An independent and truly Toronto VHF station would provide opportunities for this talent and would make a substantial contribution to program production. This would go a long way toward offsetting the United States cultural penetration into southern Ontario. We have the programming material, the advertisers to pay for it and the desire to listen to and watch our own culture. Should we not demand it?

• (5:30 p.m.)

At one time Canadians spent more time listening to United States radio than their own. As more Canadian stations were licensed, listening to United States stations diminished to practically nothing. The same could and should apply to TV. With the licensing of the second TV network station in Toronto in the early 1960's, United States viewing by Toronto residents dropped from 70 per cent to 50 per cent. As was demonstrated in the case of radio, a third channel would make a substantial further reduction with a saving of Toronto dollars and an immense boost to our culture and morale. In 1967 an application was filed for an independent Toronto station by CFRB. The Board of Broadcast Governors had earlier stated that if someone could find a way they would

entertain an application for such a station. By a series of moves, CRFB found a way to return channel 13 to Toronto which is now used by Kitchener and Rochester. The moves were: (1) a CBC repeater in Haliburton to be moved from channel 5 to 4; (2) CBLT—CBC Toronto—to be moved from channel 6 to 5; (3) CKCO-TV Kitchener to be moved from channel 13 to 6; (4) WROC-TV Rochester to be moved from channel 13 to 6.

The applicant had the necessary agreement from each station involved and the Department of Transport gave approval from a technical standpoint. In June, 1967, when the Board of Broadcast Governors gave its decision on the application to transfer the Barrie station, channel 3, to Toronto, it commented on the CFRB proposal as follows:

> The board advised the minister that at the public hearing announced for November, 1967, the board would wish to hear an application from CFRB Limited for the use of channel 13 in Toronto, provided the application is forwarded to the board by the Department of Transport, as a technically acceptable application, in time for the November hearing.

As a condition to obtaining such a hearing for the return of channel 13 to Toronto, CFRB offered to hold their agreements with the other stations involved in trust, for the successful applicant, and in addition it offered to set up a chain of UHF stations throughout southern Ontario and to support them financially until they were economically strong enough to become independent.

On April 1, 1968, the CRTC replaced the BBG and on December 10, 1968, the CRTC wrote to CFRB returning their application with the simple comment, that channel 13 had not been allocated for use in Toronto. So without a hearing, without considering CFRB's proposal in detail, and without giving any reasons, the CRTC reversed the position of the Board of Broadcast Governors and denied this service to Toronto.

Recently the CRTC announced that it will hold hearings in Toronto on three kinds of proposals: for channel 6, southwest of Toronto and in the Belleville area; for an English language UHF station in Toronto, and for the CBC, a UHF French language station in Toronto.

From the information which I have received, south of Toronto means in the Paris, Ontario, area and even with extra and expensive gadgets on aerials only a part of the Toronto area would be covered, and with an uncertain signal. This is not good enough. Because of the urgent need for this local Toronto station, which in a sense would be for central-southern Ontario, I ask that the CRTC be directed to widen the terms of the hearing so as to ascertain whether channel 13 can be returned to Toronto and, if it can be, to choose an applicant to provide such service.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I have listened carefully to the comments of the hon. member for Peel South (Mr. Chappell) in support of his motion concerning the radio and television situation in the city of Toronto. I agree with and endorse fully his remarks about U.S. intervention into that market, about Canadian content and about the needs of that important city, and about the three million residents of the city who are indeed a considerable number and not by any means an insignificant force in Canadian politics today.

While I sympathize with him as a Toronto member and with his desire to do more for his people, I have to take a totally opposite tack and suggest that while the consideration of the needs of the people of the city of Toronto is a very valid one for those who come from there, it is important that this chamber understand as well that there is a vast land beyond the limits of that city. The people who reside in the other parts of the country—and I represent a substantial city that falls within that category—have come to feel that all the regulations imposing restrictions on radio listening or television viewing, on Canadian content, and so on, apply to them more than the privileged people who live within a few miles of the U.S. border. They are meant not for those who live in Montreal, Toronto and all cities that lie along the U.S.-Canadian border, but they impose hardship for those of us whose residence happens to be so far from the border that we cannot get U.S. programs by the simple expedient of putting a special antenna on our roof. The result is that people in my constituency, and they are typ cal of people in many other cities, feel that they are treated in a second-class manner. We feel that we are being treated as second-class citizens in this respect.

I am a supporter of the chairman of the CRTC and recognize that he has a very difficult task to carry out. I believe that Pierre Juneau is doing a thorough, conscientious and courageous job in that capacity and so are the members of his commission. I support their motivations in respect of Canadian content. I also believe in them and support their endeavours respecting the very necessary policy of regulatory control on cable television and community antenna systems which are part of the technology being adopted for the future of this country. Our failure to control technology will cause us dismay and disgrace in years to come, because technology will control us if we do not control it.

I accept the difficulties that they experience and the time they have to take to formulate a policy of control. But I say to them that while they are doing that task, they must remember that a great many of our citizens find themselves close to the U.S. border and therefore in a situation where, without regard to the policies, motivations or controls of the Canadian Radio-Television Commission, they are receiving all the programming they can handle. People who are far from the border cannot receive these programs; they are dependent on the commission to bring programs to them. That is a viewpoint which does not seem to be adequately heard in the circles in which it needs to be heard.

The motion that is before us this afternoon is a typical one, namely, that the board should be holding hearings in the city of Toronto to expand the service there. I say that the service in Toronto is already adequate if not more than adequate. What the commissioners should be doing is concentrating all their efforts on getting on with the policy of controlling cable diffusion of broadcasting signals. They should examine the situation in my constit-

uency where, for example, until a short time ago there was only one television station—Canada's first privately-owned television station, CKSO.

I say that a television station operating in a monopoly position in Sudbury amply demonstrates that they are worthy of praise in the operation of their station. They have done, and continue to do, a first-class job. Only after many complicated hearings and a rather complicated formula for which I congratulate the commission, has it been possible within the last two years to resolve the problem so that a second service could be introduced to Sudbury. Now the Conrad-Lavigne interest in Timmins will provide the CBC network coverage in Sudbury, while CKSO will provide the private network coverage in the area. This is a very laudable solution and I support it.

• (5:40 p.m.)

But the people of Sudbury are pressing for a choice of more and more viewing all the time and a method has to be found to expand the formula under which the commission brought a second service to the area while respecting the rights of the existing operators. Under that kind of formula the commission should be searching to bring some kind of cable system into all areas of the country like Sudbury, where viewers up to now have been content with one channel but are now looking forward to a second channel and, naturally, want more. They want what other Canadians along the U.S. border have had for several years without regard to regulatory policy.

There are two English radio stations in Sudbury, Mr. Speaker, providing both AM and FM service, and one French speaking station. But here again, the people want more. There is pressure to have a CBC radio station established in Sudbury, but the answer has always been that the traffic does not warrant it. There is no cable service. For years it was felt that the introduction of cable would prejudice the introduction of a second Canadian TV channel. I urge the commission to go all out in an attempt to find a formula whereby cable service can be introduced without undue prejudice to the existing operators.

One third of Sudbury is French speaking, and this proportion is higher in the environs of Sudbury. French speaking viewers have access to a relay station in the CBC network but there is no local programming. I would like the CRTC to explore ways of introducing this service to Sudbury and the more remote areas. I am sure residents of the city of Toronto already have a choice of all the viewing they can handle.

Dealing with radio, Mr. Speaker, a short time ago the last of the radio operators to carry ethnic programs in their various native languages took those programs off the air because he could not afford the effect they had on his earnings. It was not so much a question of the advertising revenue during the hour that the programs were broadcast, but the listener ratings were affected and this reduced his earnings for the whole of the programming. As a result, the various ethnic groups have since been asking, "Surely there is some way whereby we can be provided with our native language programs which we enjoy so much. Surely these programs cannot harm many other people." Those programs were broadcast on Sunday mornings and not during prime time. On behalf of all the people in the city of Sudbury, I say to hon. members of this chamber and through them to the people of the city of Toronto, please remember our complaints. But we in turn must remember that some areas of the country have no television service yet and those people are lucky to have even one radio station.

Again I congratulate the CRTC for the job it is doing in trying to provide service. The commission has worked hard. As I say, it has found a formula for the introduction of a second channel to Sudbury, something we have been trying to get for 15 years. Now I frankly say to the commission: Never mind Montreal, Toronto and Vancouver. Direct all your time and attention to Sudbury and similar regions throughout the country. Mr. Speaker, I know that other hon. members wish to take part in the debate. In conclusion, I repeat that in my view the CRTC has been doing a good job. It should continue to do so, and I urge it to give top priority, not to areas that are next to the U.S. border but to the Sudburies of Canada where its attention is badly needed.

Mr. Robert Borrie (Prince George-Peace River): Mr. Speaker, I believe the hon. member for Sudbury (Mr. Jerome) has just made my speech. I can appreciate the intention and the principle of the hon. member's motion. To me it is symptomatic of the frustrations all members of this House, indeed the public, share in attempting to influence and understand the purpose, action, or lack of action, of the Canadian Radio-Television Commission. In my humble opinion, it appears that the commission is not staying abreast of the desires of television viewing audiences. If it were, there would be no need for the hon. member's motion.

I admit that the CRTC is faced with many and varied problems, but I would suggest its problems could be somewhat lessened by the immediate adoption of fixed public interest policies which would provide stability in the broadcasting industry. At the moment the public and licensed operators are kept in a continuous state of agitation. What decision will emanate from on high next? With recent precedents from which we may judge, Mr. Speaker, your guess is as good as mine.

If I were considering entry into any endeavour, the last I would choose would be television. There is no established policy to guide an applicant. The hon. member for Peel South (Mr. Chappell) may through his motion gain a hearing in Toronto, but I question whether an applicant would appear before the commission. If an applicant did appear and proved acceptable, he would likely be advised that a short-term licence would be issued but no guarantee would be given that the terms of the licence would not be changed.

Television equipment and manpower are expensive commodities. The person or syndicate entering or expanding in the industry must be given an opportunity to make a fair return on the investment required. However, with present conditions and over-all control of the

media, private enterprise may be forced to the wall. As a taxpayer and a legislator I am not prepared to accept the burden of state control and state operation of the media.

My last remark may be considered by some to be an exaggeration, Mr. Speaker. It is. It is intended to be just that. My reason for the statement is an attempt to awaken Parliament, and the minister responsible for the CRTC, to a creeping paternalism that instead of improving quality may choke it completely. Imagination and originality are hard to foster when you are being throttled by regulation and more regulation. As control of the broadcasting media becomes more stringent, the possibility of state financial involvement increases. Restriction is not being exercised only by the CRTC. We are being asked by the hon. member for Peel South to direct the CRTC to hold hearings for the purpose of possible establishment of a third VHF outlet there.

There have been pronouncements that the House may soon be asked to abolish tobacco advertising on television and radio. If we support that move, where do the media make up the loss of revenue? I do not object to the intent of possible legislation, Mr. Speaker; all I ask is that the entire means of communicating tobacco advertising be treated equally.

As much as I sympathize with the hon. member's motion, I regret that I will not be able to support it. Policy decisions regarding the direction of television to Canadians residing in the central and northern reaches of the country prevent me from being generous to those who already have sufficient outlets to cater to their entertainment and educational needs. Television outlets are desired and required in many localities in my own constituency. Indeed, there are residents at McBride and Valemount, short distances from microwave, who would most happily accept one outlet. Efforts to interest CBC in extending service from Jasper, Alberta, for the few miles into the two localities in British Columbia continue to be met with study after study.

• (5:50 p.m.)

Dissatisfaction is also being experienced at Fort Nelson where the CBC frontier package fails to provide all-round acceptable programming. Until these inequalities are overcome—which are also part of the commission's responsibility—I would not favour a hearing as proposed in the motion. I could be easily swayed if the hon. member would support extension of television services to regions not as densely populated as those near the 49th parallel.

There is considerable concern, Mr. Speaker, about the role being fulfilled by the CRTC. When an hon. member must resort to bringing Parliament's attention to a situation which automatically should be resolved by terms of reference to the CRTC through the Broadcasting Act, it is not surprising that the public takes strong exception to recent proclamations of policy regarding Canadian content. Those of us who choose to live miles north of the 49th parallel are prevented from receiving broadcast entertainment of comparable value to our southern counterparts. We who are developing our country far from densely populated regions of Canada must forgo many material benefits, and the arbitrary regulations imposed on CBC, our only television outlet in most cases, further limits our viewing pleasures.

CRTC policy of imposing exceptionally high Canadian content without consideration for population disparity is not acceptable. Proposals were published a year ago February 1, public hearings were held and from the announcement of finality by the commission we are led to believe that public input assisted deliberation. If this were the case, it appears to me that greater concessions would have been made. With the combined opinions of broadcasters, actors, writers, members of the public and Members of Parliament, why did the commission proceed with its uncompromising Canadian content policy? Speculation is only possible. Broadcasters were divided and accommodating in their presentations, but who could fault them? The licensing powers of the commission are exceptionally wilful. Writers and actors could be considered partisan, and Members of Parliament as political influence. In the case of the latter, Mr. Speaker, I suggest we know public opinion and are more prepared to cater to it.

Regulations adopted by CRTC are loading the dice against the broadcasting industry. No corresponding conditions are applied to magazines, newspapers, movies or billboards. Is this fair? Mind you, with some actions of the CRTC we cannot help but wonder if it ever intends to be fair. As may be seen from the hon. member's motion and my comments, I believe it is time a review of the commission's references was made, keeping in mind that public desires are of greater importance than has been shown to date by the present body.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, upon reading the hon. member's motion my first reaction was one of surprise. As an individual who spent considerable time in Toronto getting my university and legal education, it seems to me that if there is an area of the province with a surfeit of radio and television coverage, it is Toronto.

I was also surprised when I received a communication from my riding indicating that notwithstanding the fact we have two excellent radio stations in Sarnia and programs that can be picked up by antenna from London and Windsor, the feeling of parochial and local pride was such that the writer felt we should have a local station in the Sarnia area. It seems to me this is the kind of situation the CRTC is faced with, looking at what might be termed as parochial pride as against a legitimate need for television coverage requested by individuals.

I support the hon. member for Sudbury (Mr. Jerome) and the hon. member for Peel South (Mr. Chappell), who moved the motion, who indicated in their comments that initiative should be taken by the CRTC and that they should not be limited by the scope of an application. This is an area where direction might be given to the general public, particularly those who wish to establish independent stations. Without this kind of expertise and initiative we will be faced with the situation where a group with the money, power and know-how can have a

surfeit of coverage and another part of the country will not have enough.

Because I support the hon. member's motion, not that a third station be established in Toronto but that there be a public hearing to decide whether such a station is necessary, I shall resume my seat, simply indicating that some initiative must be shown by the CRTC beyond the scope of an application.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, unfortunately because of the shortage of time, largely occasioned by the very reasonable proposition put forward by the Parliamentary Secretary to the President of the Privy Council (Mr. Jerome) that we deal with another item of business prior to this one, I do not have time to deal at length with the motion put forward in the name of the hon. member for Peel South (Mr. Chappell).

Rather than get into the substance of that, I should like to say in the minute that remains that some of the criticisms that have been levelled at the CRTC—and I have no doubt they are levelled in good faith—fail to point out that the CRTC is simply carrying the talks assigned to it by Parliament. When one speaks about hearings, the scope of hearings and Canadian content, the onus has to come back on this chamber because the CRTC is bound by an act of this Parliament known as the Broadcasting Act. When we speak about Canadian content and whether the CRTC is doing its job, I think it is important to do this in the context of our Broadcasting Act. It was we who decided what the broadcasting policy should be, and we are responsible for it.

The Acting Speaker (Mr. Richard): Order, please. The hour set aside for the consideration of private members' business has expired. Hon. members will have noticed that the matters presented during this hour were rather airborne: they dealt with weather modification activities and broadcasting. However, they did not attract very great numbers to participate and the flight was not a success. The pilot was not successful and probably should lose his licence.

The House will resume at eight o'clock with item No. 8, an act respecting investment companies.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

INVESTMENT COMPANIES BILL

FILING OF STATEMENTS AND INFORMATION, QUALIFICATIONS AND DUTIES OF AUDITORS, TRANSFER OF SHARES, ETC.

Hon. C. M. Drury (for the Minister of Finance) moved the second reading of and concurrence in amendments made by the Senate to Bill C-3, respecting investment companies.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, this bill was considered by the House earlier this session and following third reading on December 14, 1970, was referred to the other place. Having completed their consideration of the measure, their Honours recently gave third reading to the bill, incorporating amendments.

A detailed explanation of the purpose and intention of the bill was given when it was before the House for second reading and I am sure hon. members will join with me in not wishing all that detail to be repeated at this time. I propose to limit my remarks, therefore, to a brief outline of the amendments made to the bill in the Senate. At the outset it can be said that none of the amendments depart from the broad purposes or objectives of the proposed legislation. All are intended simply to clarify the existing provisions or, in some cases, to define more precisely the scope and application of the measure.

In this latter category, three distinct changes might be noted. Firstly, by virtue of an amendment to subclause 4 of clause 2, the concept of excluding from the scope of the legislation companies that are essentially industrial, commercial or manufacturing enterprises has been extended to include such of those companies that for one reason or another have one or more subsidiaries interposed between themselves and their actual operating subsidiaries. As the bill stood before amendment, not all such types of companies would have qualified technically for a statutory exemption and it would have been necessary for them to seek exemption individually from the minister. The government sees no objection to the extension of statutory exemptions contemplated by the amendment.

Secondly, the granting of statutory exemptions to companies that carry on an investment business exclusively on the basis of funds borrowed from Canadian chartered banks, formerly contained in clause 2(3) (d) of the bill, has been deleted although the minister's discretionary power to exempt such types of companies remains. This statutory exemption stemmed from the view that practically every company from time to time has occasion to borrow funds from banks in connection with its day to day operations and it was not considered necessary to bring all such companies under the legislation if, as it was thought, they were likely to be granted discretionary exemptions.

The Senate accepted the view that the automatic exclusion of such companies might possibly create a preferred position for the chartered banks vis-à-vis other financial institutions. The amendment is intended to remove any such possibility, and the government has no objection to what is essentially a change from a statutory to a discretionary form of exemption for all or most such companies.

Thirdly, clause 2(3) (d) has also been changed to specify an additional class of company entitled to a statutory exemption from the legislation. I refer to family invest-

ment companies that otherwise would fall under the act by reason only of the fact that they borrow funds from members of the immediate family of the principal shareholder. It was intended to exempt any such cases under the discretionary exemption provisions of the bill. It was subsequently suggested, however, that a relatively large number of companies would likely be involved and the amendment is intended to relieve all these companies of the necessity of seeking ministerial exemption. As the amendment does not alter the intended scope of the legislation, the government has no objection to it.

• (8:10 p.m.)

The other amendments made in the Senate are directed primarily toward clarification of the intents and purposes of the legislation. The definition of "business of investment" in clause 2(1) (b) has been slightly altered to make it clear that the use of borrowed funds to purchase investment real property includes the use of such funds to make improvements to investment real property. The application of the asset and borrowing tests in clause 2 has been clarified. A new subclause 6 has been added to clause 6 to relieve the auditor of an investment company of any liability to which he might otherwise be subject as a consequence of filing with the minister and the directors of a company pursuant to subclause 5 a report on matters affecting the well-being of the company that in his opinion require rectification.

Clause 9(5) was amended to provide an additional set of circumstances in which the minister might grant an exemption from the prohibition against investments and loans where there is a conflict of interest. Clause 15, restricting the power of a Canadian-controlled sales finance company to sell or dispose of its undertaking, was changed to apply only to the sale or absolute disposal of the whole or any substantial part thereof.

Clause 16 was amended to make it clear that the Canada Deposit Insurance Corporation may, in connection with its functions as a lender of last resort, employ only those funds made available to it from the consolidated revenue fund expressly for that purpose. Clause 32 was slightly altered by the replacement of the words "to ensure" by the words "necessary for" in relation to the authority of the Governor in Council to enact regulations to carry out the provisions of the act.

That completes my remarks concerning the amendments made to the bill in the other place. As I mentioned earlier, none of these affect the principal purposes and objectives of the measure and we are satisfied that the bill as amended will be an effective measure in filling the gap that now exists with respect to the supervision and inspection of financial institutions. In closing, I would like to thank members of both chambers, particularly those who served on the respective standing committees, for their efforts in improving this important legislation during its Parliamentary process.

Some hon. Members: Carried.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I heard that automatic response from the back reaches of the government party. It indicates the attitude of some members with regard to legislation. The members responsible for that attitude should look at the chequered history of this bill. I do not know who was the misbegotten progenitor of the bill, but whoever was responsible for it must forever hide his head in shame.

This bill originated from the attitude of "big brotherism" that is so prevalent among certain ministers of the Crown. During the second reading debate on the bills, as recorded at page 576 of *Hansard* for October 26 I traced its rather nefarious and chequered history. I was going to say "unwanted" because it is really something that should be hidden.

There is a certain bar sinister in this particular bill. It first began as Bill S-17 in the other place during 1968-69. That was the time when the attitude was prevalent that this government had been elected to save the people. We saw what happened to the bill in the other place. When our confreres there got rid of Bill S-17, all that was left of it was the title clause. With the aid of their able counsel, they rewrote it from stem to gudgeon, but then nothing happened.

We dealt with the bill again last year. It came back to this House as Bill C-179. It actually got through second reading. Because the finance committee was preoccupied with the white paper on tax changes—another exercise in complete frustration for a lot of people—and because of the misbegotten ideas on the part of the government, the bill was referred to the justice committee. To the credit of my colleagues on the justice committee, they took one look at the bill, threw up their hands in disgust and tossed it in the wastebasket, never to resurrect it. There it died.

The bill is now before us in modified form as Bill C-3. It received second reading, went before the finance committee and there it received a number of amendments as a result of the efforts of government and opposition members. Ultimately it made its way to the other place. The net result is that further housekeeping has been carried out. Actually, it is more than just housekeeping because it tidies up a number of details of the bill that left many members of the Commons committee very uncomfortable as a result of hearings on this bill.

Although the representations from the public sector had justice on their side, there was no predisposition with regard to this particular section by government members and their advisers in the administration to pay any attention to the representations that were being made. However, like the ever-wearing drop of water, the further representations made before the Standing Committee on Finance had their effect. Therefore, we have the amendments before us.

I am not going to discuss the pros and cons of the amendments. I think they are all improvements to the bill. On behalf of the members of the official opposition, I am prepared to accept them to that extent. However, the history of this legislation has not been one of the more edifying experiences of this administration.

I want to refer to the current debate on another bill. There is a good deal of opposition to a lot of very bad

thinking which is contained in Bill C-207. Government supporters seem to have shut their minds to any criticism, and this is another classic example. Bills that are bad in their origin, bad in their thinking, completely misbegotten and ill-drafted are still put forward as though they are works of art inspired by the greatest intelligence. It is as though they have been handed down on tablets of stone from on the mountain. For the umpteenth time the government is coming forward and saying, with its majority in the other place and its committees, that it has accepted further and further amendments. I am sure that if we started on another round, there would be further refinements.

• (8:20 p.m.)

This is a classic example of the advantage of taking a second look or even a third look at a proposition. If enough people expose the deficiencies of a particular measure, their arguments will finally be recognized: even people who were blind will see. If we take the original bill, S-17, and compare it with Bill C-3 as amended, the difference is like that between night and day. This does not say much for those in whose department the bill had its origin and it says even less for the cabinet committee which screened it. They must have been anticipating the holidays, or maybe the preoccupations of the Minister of Communications (Mr. Kierans), then the Postmaster General, took up most of the time of the cabinet. As hon. members know, this bill passed through its early stages at the time the Post Office was going through its travail.

In any event the cabinet committee which screened the bill certainly muffed it. Then it went to the Senate. The eminent members of that body saw how bad it was and rewrote everything but the title. Again it has been presented, I would say with a considerable amount of slapdash. This is one for the hopper. I cannot say I am overly impressed. We have now reached the stage at which representatives of the sales finance companies and Senators in the other place are, I suppose, reasonably satisfied that they can live with this legislation. All right. These amendments improve Bill C-3. It is better now than when we saw it and when we passed it, and I am therefore prepared to recommend the motion before us to my hon. friends.

As I say, this is a classic example of second and third thoughts improving legislation. I only hope the same process can be applied to Bill C-207, because I believe the paternity of that bill is suspect, the product is even worse and the participation in debate in this House from the other side has been non-existent, as though hon. members opposite wanted to put the whole thing away from them, using not a 10-foot pole but a great, long 30-foot rod to stand away from it. And so they should. They have learned a lesson from Bill C-3. Let them apply it to Bill C-207.

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

Weights and Measures Act

WEIGHTS AND MEASURES ACT

PROVISIONS RESPECTING UNITS OF MEASUREMENT, INSPECTION, OFFENCES, ETC.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): moved that Bill S-5, respecting weights and measures, as reported (with amendments) from the Standing Committee on Health, Welfare and Social Affairs, be concurred in.

Motion agreed to.

Mr. Deputy Speaker: When shall the said bill be read the third time?

Some hon. Members: By leave, now.

Mr. Basford moved that the bill be read the third time and passed.

Mr. James A. McGrath (St. John's East): On the surface, Mr. Speaker, this appears to be a fairly innocent piece of legislation. It is a companion bill to one we have already passed, a measure which is presently before the other place, Bill C-180 dealing with packaging and labelling.

In essence, the trend of the amendments to Bill S-5 is to bring the Weights and Measures Act into line with modern practices and, in certain instances, to prepare the way of the introduction into this country of the metric system. There are several new clauses which are deserving of mention before the legislation receives third and final reading. Clause 10(p) provides for the application of sections of the Weights and Measures Act to coin-operated vending machines, machines which are now in widespread use. One of the difficulties likely to arise in connection with this amendment, desirable and necessary though it is, appears to be lack of adequate enforcement. I do not believe there are enough inspectors in the department at the present time to enforce the provision.

This is one of the points about which concern was expressed in committee, taking account of the great number of coin-operated vending machines in existence in Canada, more particularly those dispensing soft drinks, coffee and that kind of thing. We hope the minister will be able to reassure us in this regard, because there are occasions upon which these machines do, in fact, defraud the public.

New ground is also covered in clauses 18 and 32 of the bill which deal with oil deliveries. An attempt is made to correct a fraudulent practice, one which we hope is not widespread but which does take place from time to time, that is to say, the robbing of the public by oil vendors who deliver fuel oil to homes. Perhaps I can best describe this practice by quoting from report No. 17 of the Standing Committee on Health, Welfare and Social Affairs as follows:

• (8:30 p.m.)

Mr. Anderson: . . . the practice of "riding the ticket" to which Mr. Basford referred earlier is the practice which we are trying to overcome.

"Riding the ticket" means that the operator of a fuel truck can insert a ticket iinto the printing mechanism of his meter, pull down a lever, and punch a zero on it. The ticket remains locked in the printing device until the delivery is completed and then, he pulls down the lever a second time and prints the total gallonage.

In other words, if the driver has an order to deliver 200 gallons of oil, in effect he can deliver only 150 gallons of oil, indicate that 200 gallons have been delivered on his meter and take the other 50 gallons for his own use or sell it elsewhere. This is a fraudulent practice that has crept into the delivery of fuel oil, one that requires regulation. In this regard we are worried whether or not the minister has enough inspectors on staff adequately to enforce the provisions of this amendment. We feel these inspectors are very necessary and essential in preventing the continuance of this type of practice.

There are two provisions dealing with sections 18 and 32, both of which are consequential upon each other. We hope that the minister will give us, in view of the importance of these amendments to what would otherwise be a piece of housekeeping legislation, some elaboration and explanation before the House consents to third reading. Perhaps the most important of the new provisions in the bill now before us is clause 27, which states:

Every person who alters or adjusts the odometer of a motor vehicle in such a manner that as a result of the alteration or adjustment the total number of miles indicated on the odometer is other than the total number of miles travelled by that vehicle is guilty of an offence.

The second part of that particular clause, which is consequential, provides:

(2) No person shall be convicted of an offence under subsection (1) if he establishes that the alteration or adjustment was reasonably necessary for the purpose of making repairs to an odometer or to any other part of a motor vehicle directly related thereto.

That is a very important new aspect of this bill. It takes into account what has been a fairly common practice, especially with the sale of used cars, namely, tampering with the odometer in order to mislead the public into believing that the motor vehicle in question has in fact not travelled the number of miles it has in fact travelled.

There are certain questions that were raised in committee and which I think deserve to be brought up at this time in respect to this particular clause. First of all, on the surface this would appear to be an area of provincial jurisdiction. For example, we do not know how many of the provinces have amended their motor vehicle acts to make this practice an offence. We know some provinces have done so, and we are wondering exactly what would be the effect of this amendment which extends the jurisdiction of the federal government into an area which on the surface appears to be one solely for the provinces.

Having said that, I should like to reiterate a matter put forward by myself and other members in the committee, namely, that this new clause in the bill will have the effect, hopefully, of getting the provinces to pass legislation to protect the public from unscrupulous automobile dealers, especially used car dealers, who all too often have made it a practice to tamper with automobiles and to sell them to the public by misrepresenting their true mileage. I think this matter is worthy of mention here.

I hope the minister will enlarge upon what I have said and perhaps inform the House how he intends to enforce this provision. Perhaps the minister can inform us whether or not he has had consultations with the provinces in regard to the constitutional aspects of this provision. Certainly in provinces that have not legislated in this area, the initiative of the federal government will be welcomed. But we should also like to know what is the position of this amendment in cases where the provinces have acted and made the appropriate amendments to their provincial motor vehicles act. Which law will take precedence, the provincial or the federal? I think this matter deserves attention.

I think these are new and important amendments that have been introduced into the bill. Down through the years this legislation has served the public of Canada well in its regulation of weights and measures, and is now expanding into areas where it can continue to protect the public. As I say, we are concerned about its constitutional aspects. We are concerned that we may be enacting a law that is powerless, by virtue of constitutional limitation, notwithstanding the importance of these specific clauses, to protect the public from fraudulent and in many cases criminal practices which unfortunately have become all too common in our modern society.

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I feel I should reply to my hon. friend—

Mr. Deputy Speaker: Order, please. I must advise hon. members that the minister would need the unanimous consent of the House to speak now. Is there such consent?

Some hon. Members: Agreed.

Mr. Basford: Mr. Speaker, I feel I should say something in reply to the very helpful comments and questions put by my hon. friend from St. John's East (Mr. McGrath), who as leader of his party in the Committee on Health and Welfare was very helpful in the examination of the bill and in dealing with the amendments that were made in committee and undoubtedly improved the bill. I thank him for his thoughtful remarks this evening which were directed to the substance of the bill, and for some very legitimate and proper questions that he asked in relation thereto.

This is, as the hon. member pointed out, a bill that is really a complementary measure to the packaging and labelling bill which this House passed a couple of weeks ago. When we were introducing the new omnibus consumer packaging and labelling bill to Parliament, it seemed a proper and opportune time to revise the Weights and Measures Act, which is a very historic act in Canada but one which, if we are to keep pace with technological developments, needs to be revised from time to time. Now is the proper time to make that revision.

The hon. member for St. John's East referred to a number of important provisions of the act and to amendments which were made during the course of the committee's hearings on the bill. For example, he mentioned clause 10 (p) of the bill which relates to the measurement of liquids dispensed by vending machines, in regard to which up to now there has been no regulation at all. I think this is a conservative statistic that will appeal to hon. members opposite: according to the Dominion Bureau of Statistics, as of 1968, which are the latest available figures, there were some 14,000 coin-operated, liquid vending machines in Canada. These machines dispense coffee, soup, soft drinks and a multitude of liquid products.

• (8:40 p.m.)

Whereas there has been no regulation covering those machines in respect of whether they must give a proper measure or money's worth, so to speak, this bill of course will provide the power to regulate that kind of measuring device, as it is called within the bill, to ensure that it gives an accurate measure and that there is no misrepresentation or deception in connection with the measurement it provides.

The hon. member for St. John's East also mentioned clauses 18 and 32 and the provisions relating to the delivery of oil by oil delivery machines. Another statistic we may place on the record is that there are some 3,000 fuel oil vending trucks in use in Canada and of course most of those, if not 99.44 per cent of them, are operated by honest merchants delivering oil in an honest and proper way. Our inspectors, however, have found—as the hon. member for St. John's East pointed out—that there are some cases of what is called riding with the ticket. This bill will deal with that practice.

The hon. member for St. John's East also referred to clause 27 and the device on a motor vehicle which measures the mileage. I am sure all of us have had the experience of buying a used car and wondering whether or not the mileage shown on that car is in fact the true mileage. Clause 27 is designed to deal with that problem. The hon. member asked whether we had had consultation with the provinces in this connection and in connection with the whole bill.

I assure him, as I assured members of the committee, that we had written to all provincial motor vehicles branches with relation to proposed section 27 and the regulations relating to odometers, and had a response from one which indicated they did not like the wording in clause 27 because they believed it might create problems. Consequently I proposed an amendment before the Standing Committee to which this bill was referred. This clause is designed, hopefully, to avoid any difficulty such as the earlier draft may have created.

As I say, every member of this House has probably wondered when buying a used car whether the mileage was correct. Clause 27 at least is a substantive provision of the law which will make it an offence to tamper with odometers or mileage indicators on a car for purposes of deceiving the public. The hon. member asked whether we could enforce this provision. That is a very good question. I am not sure whether or not we can enforce it, but at least we will have a substantive prohibition in the law of Canada against such a practice, which we did not have up until now.

If there are those who have any indication that a dealer or salesman is tampering with the odometer of a motor vehicle, I would hope they would report that fact to us so we could investigate and determine whether there is a case which would warrant bringing these people to court. I am the first to admit that enforcement will be a problem. But up until now there has been no prohibition against this practice, and now we have the prohibition I can assure hon. members we will endeavour to enforce the clause.

There are, of course, other steps which we hope will be taken. I know that the provincial motor vehicles departments are considering the provision of a registration or log book for each motor vehicle, in which the mileage and the repairs to that vehicle would be recorded. In other words, there would be a history of motor vehicles something like a ship's log book or registration book. This is a matter which is under provincial jurisdiction and I understand provincial governments are looking at this sort of thing in order to cut down the abuse and malpractice that goes on.

There is also the hope that the motor vehicle manufacturers could develop an odometer which is tamper-proof. I understand that the North American car manufacturers and instrument manufacturers are devoting a good deal of attention to the development of an odometer which cannot be tempered with and which will in fact show the proper mileage of a motor vehicle.

The hon. member for St. John's East also mentioned an important provision in this bill which allows the usual well known measurements in Canada in units of the pound, the inch and so on, and also makes legal the Canadian use of the metric system. Of course, the government indicated in a white paper tabled in this Parliament last February that we think Canada should convert to the metric system and that a number of steps will be taken to encourage Canadians to use the metric system, make it available to them and make them knowledgeable in respect of it. This bill makes legal the use of the metric system. It does not make it obligatory or mandatory. When it is made mandatory in Canada, another amendment to this act will be required.

The hon. member mentioned enforcement. I advise him we have 178 inspectors in Canada. These are the weights and measures inspectors of my department. All these inspectors are working at full tilt. We are trying to make our operation as effective and efficient as possible. Whenever we receive a complaint of under-inspection or under-enforcement, we endeavour to correct it. If the hon. member has specific evidence that the act is not being enforced in some respect, I would like be the first to hear about it so we could take remedial action. Naturally, the effectiveness of enforcement depends upon our financial resources to a great extent, but I believe generally the Weights and Measures Act has been well enforced by my department. I assure him we endeavour to make it effective.

One last remark is in respect of parking meters which are also dealt with under this legislation. Heretofore there has been no regulation relating to the sale of time. Under this legislation there will be. In respect of parking meters, I am sure all of us have been concerned—just as persons buying used cars have been concerned about the shown mileage—that parking meters in which we put our nickels and dimes may not be working properly. This legislation will relate to the sale of time and a device designed to measure time would include a parking meter. This provision will allow us to regulate the construction of parking meters to ensure they are constructed, designed and developed in such a way as to provide accurate measurement and ensure that they in fact work properly for all Canadians who put nickels and dimes in them.

I believe I have dealt with all the important matters which were raised in the Standing Committee on Health, Welfare and Social Affairs to which this bill was referred. I think the bill has been improved by the committee—I thank the hon. member for St. John's East for his contribution in the House and to the work of the committee in examining the amendments made to the bill, and I commend it to hon. members.

Mr. McGrath: Mr. Speaker, would the minister permit a question? In view of the increased necessity for surveillance under the new provisions of the bill—here I am thinking of clauses 10, 18 and 27—does the minister envisage a substantial increase in the number of inspectors employed under the Weights and Measures Act in order to adequately enforce these new clauses?

• (8:50 p.m.)

Mr. Basford: I would not anticipate a great increase. I think we may need a few additional people at the head office in order to examine and inspect the devices that are submitted for sale in Canada, particularly the new devices that are developed and which under this act must be approved for sale in Canada. Undoubtedly, the workload of inspectors, whether or not we have a new act, will increase. Our population is increasing, the number of retail outlets is increasing and the number of ordinary measuring scales is increasing, all of which generally requires us from year to year to have more inspectors.

However, we are finding that while we have more devices to inspect, there are technological improvements in the devices, which makes it less necessary to inspect them as often as before. This is a broad generalization, but while the number of devices increases, their perfection increases also, and therefore we have to inspect them less often. Also, this law allows us better enforcement provisions with regard to the devices which we now inspect. For example, the hon. member mentioned oil delivery machines. We already inspect all the fuel oil vending trucks. We will have a better enforcement provision under which to inspect them. We have found there are practices which under the law we are unable to deal with. This new law will enable us to deal with them.

Mr. McGrath: Would the House permit one final question? It might assist us if the minister were to put on the record the number and which provinces have already acted in the areas covered by clause 27, dealing with automobile odometers. How many provinces have enacted amendments to their motor vehicles acts to cover the provisions of clause 27?

Mr. Basford: I apologize to the House. I know that there were questions on this matter in committee and I thought I had them with me, but I find that I do not. I must therefore go by memory. I believe that two provinces have laws relating to the setting back of odometers and a number of other provinces are considering it. The hon. member will understand if I do not name the provinces that are considering it, because it is up to their ministers of highways or their attorneys general to make that announcement when they introduce amendments. As I understand it, the provinces that have some provision relating to odometers on cars are British Columbia and Alberta.

Mr. Baldwin: Rather than make a speech, something which I rarely like to do, I would ask the minister a couple of questions. He answers questions so delightfully. My question relates to clause 27. I notice the distinction between the amendment which changes subclause 2 of 27 and the original subclause, the one dealing with automobiles. In my view this provision has the effect of changing the burden of proof.

I am not making a big point of it; I just want to know whether in the opinion of the minister's legal adviser it would now be necessary for any person charged with an offence under this clause to establish affirmatively that the adjustment or alteration was reasonably necessary. Is it the minister's view that this clause now puts the burden upon the person charged to establish innocence?

Mr. Basford: Not entirely; and I think that is not quite the effect of subclause 1 and subclause 2 of clause 27. If one looks at subclause 1 of clause 27, it deals with every person who alters or adjusts an odometer on a motor vehicle. The standard of proof there is the usual standard of proof; the Crown will have to prove beyond reasonable doubt that the odometer was altered.

Under subclause 2 the accused is then entitled to show that the adjustment was reasonably necessary. But the standard of proof under subclause 1 is the same as it has always been. The Crown will have to prove beyond reasonable doubt that the odometer was adjusted. Having proven that beyond a reasonable doubt, there is the presumption that the court would make and that the clause makes, that the odometer was adjusted or altered for an illegal purpose, at which point the accused is entitled to rebut that presumption under subclause 2.

Mr. Baldwin: I thank the minister for that answer. I am sure he will find it useful when perhaps after the next election he is engaged in defending clients. He may even have a chance to defend someone under this particular clause.

Mr. Basford: I am expecting to be here then.

Mr. Baldwin: The other question relates to the same clause. There was some discussion between the minister and the hon. member for St. John's East (Mr. McGrath) on the question of the provinces having adopted views along these lines and incorporating them into legislation. Has there been any discussion among the provincial ministers with regard to provincial governments changing their sale of goods act or comparable legislation in order to permit a breach of this particular clause? Such matters are, of course, punishable under the Criminal Code. Nevertheless has there been any thought of permitting a breach of this provision to be regarded as being ground for a civil action for damages, for cancellation of a contract, for setting aside a contract, and so on?

I recognize that this is entirely within provincial law, but it would seem to me that it is an avenue which might be pursued. It is one thing to punish a man for doing what is wrong, and another to put a provision in a bill requiring that a certain thing be done. In addition to that, let us consider the remedy of the person who is suffering. There may be some doubt about what the federal government could legislate. There have been instances, to which I can refer, under the Criminal Code where provisions were included which in effect dealt with civil offences. I am not suggesting that the minister consider doing that. I am suggesting that he might pursue that question in a reasonable way with the provinces and urge them to ensure that their own codes dealing with the sale of goods and automobiles provide that this sort of offence would vest in a person who has been wronged the right of cancellation or rectification.

Mr. Basford: The remarks of the hon. member for Peace River (Mr. Baldwin) are well taken. I think he is correct in assuming that under the federal Weights and Measures Act, which is clearly based on the federal jurisdiction over weights and measures as specified in the British North America Act, we could not determine the rights between vendor and purchaser of a motor vehicle, and of course we have not purported to do so. Nevertheless, I think that his remarks, in so far as they were directed at provincial governments and at my making suggestions to them, are well taken. That is why two of the provinces have already regulated this matter. I know that one other is definitely intending to do so, and possibly more may do so.

• (9:00 p.m.)

Also, and in a more general way, many of the provinces are considering complete revision or amendment of their sale of goods acts, a turn of events which comes about because of the amendment made by this Parliament to the Bills of Exchange Act last June, which became effective November 1 last, where we said with respect to the rights of a person signing a promissory note that those rights travel with the note even if it is sold and passed to an assignee a holder in due course.

As the hon. member and I both said in the House last June, this measure opened the door to the provinces to revise their own laws relating to the sale of goods, and contracts between vendors and purchasers. Some of the provinces have already gone through that door. In my own province of British Columbia the Attorney General has introduced amendments to the provincial sale of goods act. As a result of a conference on consumer affairs held last November in Toronto, I know that a number of other provinces are thinking along the same line.

I would join with the hon. member for Peace River in urging the provinces to revise these laws because many of the laws relating to the sale of goods had their origins in days when people were buying horses and buggies, rather than automobiles, refrigerators, stoves and all the things a modern family buys. Many of our laws were written in those old, old days and now we need new laws. This is what my department is all about. So far as the federal department is concerned, we are endeavouring to write those laws and introduce those reforms in Parliament. The same thing needs to be done at the provincial level, and I think the question asked by the hon. member for Peace River is a very valid and proper one. He asks me to urge the provincial governments to revise their laws relating to the sale of goods. I hope he will join me in doing so.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

Motion agreed to and bill read the third time and passed.

* * *

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: Order. When the committee rose at five o'clock this afternoon clause 14 of the bill was being considered.

On clause 14—*Establishment of Ministries of State.*

Mr. McCleave: Mr. Chairman, the message that I—

Mr. Drury: I rise on a point of order, Mr. Chairman. Just before we adjourned for dinner the hon. member for Halifax-East Hants suggested it was time the House entered into a debate on housing and said there would not be an opportunity, once this bill was passed, adequately to discuss housing problems.

I agree with him wholeheartedly that housing is an important problem, and indeed on a number of occasions this Parliament has paid considerable attention to it. One of the purposes of this bill, as outlined by the Prime Minister, is to make it possible to establish a ministry of state responsible for urban affairs and housing, in the hope that we will have a rather more elaborate, rather

more satisfactory policy in respect of housing so far as the federal government is concerned, and that consequently all Canadians would be able to benefit.

However, I would point out that in this particular debate the issue is not whether our housing policy is satisfactory or not, but whether the government should be so reorganized at this juncture to enable it to establish, hopefully, a more effective housing policy than we now have. If, as the lawyers say, it would help the hon. member for Halifax-East Hants at all, I am prepared to admit that the current policy and housing programs of the government, while good, still could be improved—and one of the purposes of this bill is to seek to do that. Therefore, the hon. member would not usefully occupy the time of the House were he to make a case which we already admit, namely, that further improvements in housing policy in Canada are not only useful but needed.

Mr. Lundrigan: May I ask the minister a question? Is it the intention of the government, after the passage of Bill C-207, in view of his present interest in housing, to remodel this chamber into a number of compartments and rent them, or does he have any more sophisticated plans for the House of Commons after Bill C-207 becomes law?

Mr. Drury: Mr. Chairman, my inadequacy in this matter demonstrates in one more way the necessity of getting this bill passed and the ministry of urban affairs and housing established.

Mr. Lundrigan: Would the minister not be satisfied to bring forward a package on urban affairs, with such a bill containing specifically the ministry to be established and all its duties, responsibilities, costs and bureaucratic structure, so that this House—

The Chairman: Order, please. The minister sought the floor on a point of order. The hon. member for Halifax-East Hants already had the floor, and I think little can be gained in committee by continuing the question and answer period.

Mr. McCleave: Mr. Chairman, the point that I made in my first speech in this debate, which has been made by other members since then, was that this was a very mixed bill, with as many as seven different principles in it, all of which can give rise to confusion. I can be as confused as anybody else in the House, either due to my own natural talents or other people's natural talents, but I do not mind sharing my confusion and perplexities with others.

I said we should have a housing debate because the right hon. Prime Minister, who is the sponsor of the bill, in answer to a question asked by me said that the ministry of urban affairs and housing was one of the ministries of state that would be created. All I am asking is that before anything like that takes place I, and other hon. members on this side of the House, be given a chance to express their views. I see the former mayor of Toronto and other hon. members opposite who should be able to contribute suggestions on what such a new ministry should do.

• (9:10 p.m.)

This is the perplexity facing us, Mr. Chairman. If we do not put up a fight now—and I may suggest a solution to the fight—it will be lost entirely. The thing will be heard, there will be a minister, he will be given his terms of reference under the bill and it will be very difficult to change anything. The terms of reference are set forth in clause 15 which provides:

> A proclamation establishing a ministry of state shall
> (a) state the name of the ministry;
> (b) specify the matter or matters in relation to which the minister for the ministry is to formulate and develop policies; and
> (c) specify the powers, duties and functions to be assigned to the minister for the ministry in relation to the formulation and development of those policies.

I have been in this House for 12 years—not as long as some other members—and we have had to deal with such things as the creation of new ministries. But on those occasions each of us could say what we thought should or should not be included in the measure, and we could move amendments and make suggestions. In that way our constituents could see what we were doing and could write to us with suggestions that they felt should be advanced. Surely it is participatory democracy when voters can say, "Why don't you put this forward as an idea regarding housing?"

Who can say that the minister, the government, Central Mortgage and Housing or any small number of people have all the wisdom in the world? We know that the former minister in charge of housing, the hon. member for Trinity, went around the country and gathered opinions from thousands of people. Many of these found their way into his report on housing.

This is the dilemma that we find ourselves in on this side of the House, Mr. Chairman, and indeed I think members on the other side are in the same dilemma. The Prime Minister has spoken about the new ministries in relation to science and housing, and the minister who speaks for housing has talked about one based on the Bird Royal Commission on the Status of Women. That is three out of five. Given all that, we have no chance whatsoever to say what we think. Clause 15 says that a proclamation shall specify the matter or matters in relation to which the minister is to formulate and develop policies or the powers, duties and functions to be assigned to the minister.

That is our dilemma, Mr. Chairman. We do not know where we are going when we give these powers. That is what it boils down to. The President of the Treasury Board has the task of piloting this legislation through the House, and I suggest to him that we must have a bridge to all sectors of the House. Some of the new ministries may have to be established in a hurry. If the matter were put before us for debate as early as possible, we could probably agree beforehand on a time limit within which resolutions could be moved, or amendments and suggestions for changes in the powers of a particular ministry. These could be presented to Parliament. Surely a group of people of good will, from all sides, could get together and set limits for the debate within practical terms.

That is where the whole friction in this debate occurs, because we are simply afraid to give such sweeping powers to any government. If we were on that side and the people over there found themselves—in reduced numbers, of course—on this side, I am sure they would be standing up and making exactly the same argument. When you have classic battles between the powers of the executive and the powers of Parliament, once in a while Parliament has to dig in its heels and say, "Only so far and no farther." We must have our say.

That is what I am asking for, Mr. Chairman—and not only on behalf of members on this side of the House. I will not embarrass anyone on the other side—although I could name members—but I think I am speaking for them as well. There are members who would like to say what they think should be contained in any new department dealing with housing and urban affairs, or a science ministry. God knows, the mistakes in the science field are legion and nobody in this place can be exonerated from them. For the past 35 years we have been making mistakes. Perhaps it would be better if we were all made more accountable for mistakes in that field.

The recommendations of the Royal Commission on the Status of Women have caused a great deal of excitement in Canada. It may be that the least likely source in the House would come up with the best ideas. Nobody has a monopoly on ideas: 22, 24 or 28 cabinet ministers have no monopoly on ideas. We are here to swap ideas. You will notice that I have not turned this into a housing debate, Mr. Chairman, but when the time comes to deal with urban affairs and the housing problems of the nation I do not want something presented to me on a platter. I would rather consider ten ideas even if only one were accepted.

Mr. Drury: Mr. Chairman, I acknowledge with appreciation the fact that we did not get into a housing debate. I think the hon. member for Halifax-East Hants has quite sincerely expressed the dilemma which faces a number of people who have intervened in this debate. There is an unwillingness to hand over to the executive greater powers than it now has. In other words, what is being sought here is is a delegation of parliamentary authority to the executive, but there is a feeling that there will not be adequate provision for calling them to account. I am afraid this is based on a misapprehension to some degree.

The House leader for Her Majesty's Loyal Opposition knows about the ability of the executive in the United Kingdom. It is granted a unitary form of government rather than a federal one and has a much larger lower chamber than we have, and consequently one would expect a somewhat larger membership than ours. The United Kingdom, of course, is the source of most of our parliamentary traditions. The executive of that country has a total limit placed on their members of ministerial and quasi-ministerial rank, and within those members the size established in respect of interrelationship is left entirely to the executive to determine. There is no necessity, no demand even, that changes within this framework will be set in advance, as is being suggested here, apart from Parliament.

Government Organization Act, 1970

• (9:20 p.m.)

Our tradition in the functioning of the executive has largely been derived from the royal prerogative and has been more conditioned by the desirability of having from the outset the strictest of parliamentary control, which has brought a consequent lessening of that prerogative. Departments and ministers with the authority to head departments in this country, I suggest, have been up to the present established through a special statute setting up the department. Subsequently funds are provided in the usual fashion on an annual basis through the Appropriation Acts.

However, there still remains, as I pointed out before, the prerogative right of the Governor in Council to appoint in unlimited numbers ministers without portfolio not in charge of departments as such, having functions and duties which are defined by the Governor in Council and are not subject to prior parliamentary approval at all. There is, however, one element of parliamentary approval which must be sought, which is not related to the nomination or definition of these functions. Parliamentary approval must in every instance be sought to provide the funds with which the staff must be paid to enable the minister effectively to discharge whatever responsibilities he has been given. In addition to that, Parliament is asked for and grants—or up to the present has always granted—the amount of the annual salary for ministers without portfolio.

What we see here is a proposal which will have the flexibility of the prerogative in relation to the appointment of ministers without portfolio. I think our recent experience has demonstrated that the kind of flexibility which is necessary to appoint a minister quickly in response to a seen need, to appoint a minister in charge of a particular, new function, to appoint a minister who will address himself largely to a new problem which has arisen and to provide for proposed policies and solutions which eventually can only be implemented by Parliament through the provision of the necessary funds, is useful in an era when change appears to be the rule rather than the exception. Frequently, if one can respond rapidly and effectively, the problem—I have heard speeches to this effect—will be less than it otherwise would be if allowed to drag on without being met quickly.

What is sought here is to provide that feature, that flexibility of response and, further, to provide, under the designation or title of ministers of state, for the appointment of ministers who will be in terms of responsibility and stature the equivalent of ministers heading other departments. Consequently, they will receive the same salary and those other considerations given to a minister but they will not normally be in charge of a large operating function or the running of programs for which normal departmental organization is required.

Such a minister will need, in order to fulfil his functions, a staff consisting of relatively few highly skilled people who will assist him in the process of analysis and development of policy. If the policy development as subsequently approved by Parliament calls for the establishment of a large number of public servants to put the

policy into operation, at that time, I suggest, we could proceed under the first part of this bill to establish government departments and the duties, responsibilities and manner of functioning of certain people will all be clearly set out in the statute.

For those limited number of cases in which there is a problem and in which the immediate need does not call for the operation of subsequent programs but for the seeking of solutions, particularly in those fields where jurisdiction is not exclusively federal but is mixed and calls for a good deal of consultation with the provinces rather than the operation of programs by themselves, this is the kind of instrument, it seems to me, that can more adequately meet our needs.

As I indicated, although this bill provides that the Governor in Council will be able to name the minister without the necessity of further parliamentary approval, it is, as I think all hon. members will understand, impossible for that minister to have a staff to do the work of analysis, of problem solving and of proposing, unless funds are provided to him for that staff. This money can only be provided by Parliament through either the main appropriations, if that is the appropriate cycle when it occurs, or through supplementary appropriations if it occurs at some time other than the beginning of the main estimates cycle.

When one looks a little more into the kind of proposal that is being made here, and relates it to the kind of parliamentary tradition into which we have grown, I think it will be seen that a great many of the apprehensions and fears expressed are perhaps groundless. I suggest that this proposal will not then appear quite as alarming as the hon. member for Halifax-East Hants quite honestly, I think, suggested it was.

One other advantage of this kind of proposal may be seen if one considers the kinds of problems that a minister of state might deal with, as suggested by the hon. member for Vancouver-Kingsway the other day. This is something that has arisen relatively recently and consists of an area of interest, or an area of problems which does not fit neatly into our classical patterns of government organization or, indeed, thought. These problems range at a variety of levels horizontally across the whole government apparatus. A minister who will look at the Canadian perspective with this particular aspect of it in view will, I think, be able to make many useful suggestions which can be implemented. They could be implemented, not necessarily by himself or by a department which he might head but by other departments and other agencies.

When he has done this particular job and there does not appear to be a continuing need for this kind of analysis and policy suggestion, then keeping the apparatus in being any longer clearly would not be a useful application of the resources provided by the taxpayer. Then it ought to be dispensed with and our energies devoted to other problems which might take on new forms as suggested by clause 14. I think this, in so far as parliamentary operation and particularly parliamentary control is concerned, is of some significance.

One point made during the course of this debate was that this bill, as an omnibus bill, was unsatisfactory in that it covered so many subjects that it was impossible for hon. members and for the House to focus adequately on a particular principle and give it the kind of consideration which clear focusing would allow. It was said that because of the wideness, range and number of topics involved, focusing in relation to this bill was very difficult.

• (9:30 p.m.)

In terms of the ministry, it would be of considerable assistance to the House, particularly during the interesting 40 minutes per day which we have, if in relation to a current problem there was one minister who was clearly charged with responsibility for that particular item. To again refer to the Royal Commission on the Status of Women, at the present time there is no minister to whom the members of the House can point the finger of responsibility: it is diffused.

The Prime Minister obviously cannot provide detailed answers for the whole range of subjects in which the administration is engaged. Consequently, the House does not get a satisfactory accounting. The ministry is not as accountable to the House as it would be with the kind of focusing which clause 14 would make possible. With this kind of arrangement, rather than Parliament having its powers eroded and losing authority it would, if intelligently used, find its real power—knowledge and power, in this world in which we live, are synonymous—through increased accountability and responsibility of minister for specific needs.

Rather than have what the hon. member for Halifax-East Hants is afraid might be the case, I suggest as strongly as I can that not only is it the intention of the government that it should be so, but Parliament, particularly the House of Commons, will find its power, authority, credibility and—to use a rather overworked term—relevancy enhanced.

Some hon. Members: Hear, hear!

Mr. Baldwin: Mr. Chairman, I thank the minister for his contribution in spite of the fact that a large number of government members have spoken on this issue in the past few days. Most have used their time whimpering, whining and bleating about filibustering. The minister at least made an effort to attack the problem. It is refreshing to see someone go to the root of the issue rather than talk nonsense about filibustering.

I have examined the record. On this particular issue, probably the most important one in the bill, only 2½ days have been spent. Up to the present time approximately 9½ hours have been used to debate this particular measure. I say to those members who are wringing their hands, whining and crying about filibustering, that there are five important areas which can be the subject of the creation of ministries of state. Three or four have already been identified by the hon. member for Halifax-East Hants. They are housing, science and the status of women.

Information Canada has also been mentioned, although the government has not tied itself down on that. How in the name of heaven can hon. members on the government side say that we are filibustering? How dare they say that? How can they have the unmitigated audacity to say that we should be expected to discharge our responsibility in 2½ days? I will deal later with the very good speech made by the minister.

Within the four corners of clause 14, the government has intimated in no uncertain terms its intention of setting up three, or possibly four, ministries of state which they have identified. There will be at least five, but the government has identified three, and possibly four. The minister talked about the differences between our system and that of the United Kingdom. While we should constantly examine the practice in the United Kingdom in a variety of matters, we in Canada should make our own rules. We should adapt, change and pattern ourselves according to our needs. I do not believe in blind obedience to the practice of the United Kingdom. If members opposite want that, that is up to them. We in this party and other opposition parties believe there is much to be derived from a thorough and constant examination of the British system, but adapted to meet the requirements and needs of Canada.

The minister may be aware that there is a statute in the United Kingdom, passed in 1937, the salaries of ministers act, which deals with more than salaries. It identifies and establishes certain ministries. Although it does not identify them, it provides for a number of secretaries of state. My point is that the United Kingdom Parliament has in fact legislated. My suggestion to a constitutional lawyer opposite would be that having legislated, the prerogative of the Crown has gone, except within the limits of the statute.

The minister attempted to make the very best of a bad case. I think he knows he has a bad case, but I give him credit for trying to put the best face on it. He might succeed. We have been very careful. We have briefed and informed ourselves. We know the weaknesses. I will point some out now. Others in this party will also have something to say about them.

An hon. Member: Again?

Mr. Baldwin: Yes. Now we have a target. For the first time someone has had the courage to stand up and defend this bill. Other members did not have the courage to do that, because they did not understand the bill. The minister has put up a defence. It was as good a defence as he could find for a bad bill or the bad provisions in the bill. I am going to deal with it. The minister had the courtesy of replying to us. He made his best effort to deal with the matter.

We in this House have instituted a new set of Standing Orders. The minister knows about them. Enough has been said about them in our party and other opposition parties. The hon. member for Halifax-East Hants clearly stated his fears about this legislative program. When this legislation is passed, as I assume it will be in due course, the government will be free to exercise the prerogative of appointing ministers and establishing ministries of state. For example, there will be a ministry of housing, a ministry to deal with, or at least reply to, questions on issues raised in the report of the Royal Commission on the Status of Women, and a ministry of state to deal with housing. There is no question about that.

• (9:40 p.m.)

What would be the case without this legislation? What would be the situation? The government would be compelled, as I think it should be, to go to the House and say it had reviewed the situation, exercising its prerogative as the executive, and had reached the conclusion that the housing situation had been allowed to get into such a mess that something needed to be done about it, including the establishment of a ministry.

On this basis the government would then bring in legislation. A recommendation from His Excellency would probably be required, since payment of money for staff, and so on, would likely be involved. A bill would be introduced into the House and would pursue the normal course. Members of this party, members of the Créditiste party to my left and supporters of the government who had the courage to express their honest views would do so. There would be a debate. Issue would be joined.

If we on this side felt the government proposals were inadequate, we would put forward counter-proposals; we would offer amendments and the proposals would be studied in detail in committee. I do not think this would take a great deal of time, but there would be an opportunity provided for us on this side to say, "Here are the alternatives". This is what the government proposes to take away from us.

My hon. friend from Halifax-East Hants hinted—I believe he was exercising a kind of poetic licence—that he would like a debate on housing. I believe he was giving expression to the frustration we feel, because we recognize that if this bill is passed in its present form we shall be denied the opportunity to express our views adequately on housing, on science policy or other subjects which might form the basis of the establishment of a ministry of state. This is what we are complaining about. The minister said we shall have our opportunity when the estimates come before us. That is a lovely thing to say, after all the government has done to the House in connection with the scrutiny of estimates. If the changes in the rules had not been made in this regard, the minister might have had a better argument.

Let me digress for a few moments. In the course of my experience in the House, some 14 years, my recollection is that there were never more than three Ministers without Portfolio. The limitation was not imposed by statute but probably followed tradition and custom; no government considered that with 22, 23 or 24 cabinet posts available more than three Ministers without Portfolio should be appointed. But in each instance, with respect to Ministers without Portfolio, there was an item in the estimates dealing with their salaries and, from time to time, with their particular staffs. In accordance with the practice followed then, when dealing with estimates an

opportunity was provided for a substantial debate to take place in connection with the appointment. It does not exist now. I shall not get into that argument this evening because there were some aspects of the change which I accepted, though there are others which I have never liked. Be this as it may, the minister is bound to agree that the opportunities which existed for members on this side of the House under the rules before they were changed several years ago are not present today.

Mr. Drury: Not true.

Mr. Baldwin: The minister may wax indignant. He smiles as he speaks and I do not think he really believes what he says. He knows that the opportunities available to us now are nothing like they were before the rules were changed. That is a statement which in my opinion cannot be denied on the basis of the facts.

Mr. Drury: I will deny it.

Mr. Baldwin: The minister may deny it but I am talking about facts. This is the difficulty we face. It may be that within a month or within six months of this legislation being passed, a proclamation will be made and the cabinet will promulgate an Order in Council which will provide for the establishment of a ministry of state to deal with housing. Parliament will not have seen the terms of reference. It will have had no say in establishing the conditions under which the ministry has been set up. It may be we shall be given an opportunity to ask questions, but I contend that the representatives of the people of Canada are entitled to suggest what the terms of reference should be in a matter so vital and important. The same considerations apply to the creation of ministries dealing with science, the status of women, and so on.

The minister cannot deny that the government would have the power to establish these ministries, to disestablish them or to vary their functions. It has been demonstrated beyond doubt by members on this side of the House that an opportunity to discuss such matters on estimates in the confines of a parliamentary committee does not permit the free and unhibited discussion which is essential. It is difficult enough for this party, with 72 or 73 members in the House, to staff committees and maintain attendance in the chamber. It is even more difficult for the party to my immediate left, with 23 or 24 members, to do so, or for the Creditiste party to do so. In any case, there is no opportunity for the kind of debate of which the minister has spoken. I think he is speaking only from his experience as one sitting on the treasury benches. He has not had the edifying experience of sitting in opposition.

Mr. Drury: I have.

Mr. Baldwin: Obviously the hon. gentleman was not there long enough. That is something we shall try to remedy at the next election.

Mr. Drury: It was not my fault.

[Mr. Baldwin.]

Mr. Baldwin: It will not be our fault next time, either. I can see the hon. member sitting here after the next election reading my speeches and trying to imitate me.

Some hon. Members: Oh, oh!

Mr. Drury: This is fantasyland.

Mr. Baldwin: I believe I have answered the minister. I intended to answer him because he had the decency to drive right to the root issue. However, he did not deal with the subject in such a way as to convince me. I listened hard. I am very easy to persuade. If he had made a case, I would have been prepared to say so. But he fell far short of doing so and I cannot accept his argument.

Before I sit down, let me say that one of the problems we shall face if this legislation is passed is a proliferation of ministers. The hon. member for Ottawa East, who was occupying the chair the other day, spoke about reading the Bible, an apt book to be reading at that time. After all, the Liberals are trying to create a land of milk and honey where there will always be a place for deserving backbenchers. Like the armies of the south in the early days, all the generals will be privates. Under those conditions it is a sad, sad story indeed.

• (9:50 p.m.)

What are the dangers inherent in this situation? The first three rows of the government benches will be filled with ministers, with ministers of state responsible for a ministry of state and with ministers of state who have been deprived of the opportunity of administering a ministry of state. Then the parliamentary secretaries will sit behind them.

What about the confusion that we have observed in the last few days when ministers of the Crown have said that "X" is brown and ministers of state have said that "X" is white? Perhaps on this point I could simply read an editorial which appeared in the Ottawa *Journal* last week.

Mr. Mahoney: Take your time; there are five minutes left.

Mr. Baldwin: The article reads:

> Uncle Sam must be puzzled about his Canadian nephews these days. While our energy minister and our northern affairs minister are going hell-for-leather to get the Americans to run their Alaskan oil through a Mackenzie Valley pipeline, our communications minister says it would be "a kind of industrial suicide." Even foreign minister Sharp is asking that the Pacific route be scrapped. Our Prime Minister indicates he doesn't find confusion embarrassing for the government hasn't decided its policy!
>
> The decibels are the message.
>
> There are other ways for Mr. Trudeau to encourage public discussion of a vital issue than set his cabinet running off in all directions. What about some of those parliamentary assistants or articulate backbenchers—mightn't they ventilate provocative views?
>
> As it is we have the two ministers presumably most concerned telling the Americans they must not use the Pacific coast route and must use the Mackenzie route, but the Prime Minister telling the Americans at the same time that Canada hasn't yet decided whether it wants the Mackenzie pipeline.

Ministerial contradiction is old stuff in the U.S.A. where the President has the final say. But here in Canada, as in Britain, we have a system wherein the Prime Minister is only the first among other ministers—

The Prime Minister has not heard about that; I guess he has not read this article.

—and cabinet is presumed to be a team that thinks—

Certainly that is a questionable point.

—(and agrees on action) before it urges or acts.

Today's spectacle is absurd and, what is more, makes our system appear absurd. If Greene and Chrétien win then Kierans is made to look a dunce and his judgment on other matters becomes suspect. Or vice-versa. There may be dunces in this cabinet—

I should like to debate that point, Mr. Chairman, but it is not relevant at the moment.

—as in others, but it helps nothing to have the Prime Minister encourage them in the name of freedom of speech and thought to go about running off at the mouth.

The Chairman: Order, please. The Chair has been lenient with the hon. member because I thought all hon. members would want him to finish the editorial, but I must inform him that his time expired about 30 seconds ago. If there is unanimous consent, the hon. member may continue.

Some hon. Members: Agreed.

Mr. Baldwin: I thank the committee for its courtesy; hon. members know how infrequently I speak. I simply ask them to think of the terrible situation we would have with 50 ministers of the Crown, all of them engaged in these antics that have been so adequately described by this highly responsible newspaper in the editorial to which I have referred. Where would the people be in such a situation? What would they think? Who would they believe? I suggest this would be a catastrophic situation, one that this poor country should not be asked to face.

I should like to close by reading from one other article which I think is indicative of what would be the mental condition of so many of my hon. friends on the other side if they were ministers of state, ministers of state without a department of state or parliamentary secretaries. They would not know what they were doing or saying. This article is as follows:

The Texas House of Representatives has unanimously passed a resolution endorsing the job performed by the Boston Strangler in the field of population control.

The resolution submitted by two representatives who believed the Texas House would pass any resolution set in front of its members—

This is the sort of situation we would face. I do not think my hon. friends opposite would go quite that far. I give them credit for stopping somewhat short of that.

An hon. Member: Don't fool yourself.

Mr. Baldwin: One of my hon. friends behind me says I would be fooling myself. He may have better judgment than me. This is the situation we would face with 50 ministers of the crown and 29 parliamentary secretaries trying to govern this poor, unfortunate country. This is one of my reasons—I have a few others yet—for saying we must not allow this bill to pass.

Mr. Drury: Mr. Chairman, I wonder whether the hon. gentleman would allow a question.

Mr. Baldwin: I would be delighted.

Mr. Drury: I ask him which two members of the opposition prepared the articles from which he quoted.

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

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

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

EXTERNAL AFFAIRS—DISBANDING COMMONWEALTH COMMITTEE ON INDIAN OCEAN SECURITY—REQUEST FOR STATEMENT

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, on March 8 I inquired regarding Canada's views as to the status and prospects of the Commonwealth committee on security in the Indian Ocean which had been established at the Singapore conference of Prime Ministers. At the time of its establishment there was a tendency in some quarters to regard it as a major achievement. There were accolades for the Prime Minister of Canada, and this country was selected as one of the members of the committee.

My question sought to elicit the views of the goverment on their present attitude towards this ill-starred emanation of the Singapore conclave. My mystification as to what Canada now thinks stems from the reply of the minister who said, "We considered that it was a useful initiative and we still think so. However, I am satisfied that the committee will not meet." This latter comment is hardly in the category of rash predictions. But surely there must be a more effective way of dealing with the matter than merely waiting around until so many members drop off that nothing numerically significant is left.

Diplomacy may not welcome an excess of definiteness, but possibly this newly developed machinery for Commonwealth consultation might be used to put the whole matter in true perspective, rather than have this wearisome, withering-away process. I fear we have been too much given to façade building on many matters such as the South African arms issue. If there is really nothing being done nor to be done, it is really helpful to give the impression that something efficacious is in progress or in prospect?

• (10:00 p.m.)

Along with an air of unreality there has been, in connection with South African arms sales, a regrettable

measure of hypocrisy or at least inconstency. More than once we heard of protests, prime ministerial and otherwise, by letter and otherwise, to Britain. But in reference to France, a considerable merchant of arms to South Africa and other areas, not a word. Are British arms more deadly than those manufactured in and sold by France? The minister said the protests are made to Britain because of our Commonwealth membership. But surely this is a strange reply. France and Canada are charter members of the United Nations. That body has made many protests and has passed many resolutions concerning arms sales. Are we to believe that this government regards the obligations of Commonwealth membership as transcending our responsibilities under the United Nations charter? What an interesting scaling of priorities this would be!

I believe, Sir, we would be well advised to deal with these matters with a greater sense of realism, more consistency and not make pretensions unsupported by the hard facts.

[*Translation*]

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, on February 22 last, the British government made known its wish to supply South Africa with naval defence material. In the minds of some people, this announcement on the part of Great Britain somehow deprived the committee of any reason for being and, as the hon. member knows very well I think, Nigeria and India, followed by Malaysia, announced their intention of withdrawing from the committee. Other countries, such as Canada, that felt that the terms of reference of the committee went far beyond finding an immediate solution to the problem submitted to its consideration, were ready to convene the committee so that it could examine the longer-term problems now occurring in South Africa and the Indian Ocean.

But as Nigeria, India and Malaysia have persisted in their intention of not taking part in any meeting, whatever the purpose, Canada thus finds itself forced to admit that the committee is no longer representative and, therefore, cannot call a new meeting, because the terms of reference cannot be fulfilled. We regret, Mr. Speaker, that such an opportunity of discussing various problems, and in particular that of South Africa, should be lost.

I would like, in closing, to talk about the comments of the hon. member who saw fit to include in this debate the question of the sale of arms by France. I believe it has already been said, many times, in this House, that Canada, in the speeches of its representatives at the United Nations, as well as elsewhere, had always clearly expressed its complete disapproval of any country selling arms to South Africa.

[*English*]

THE CANADIAN ECONOMY—POSSIBLE SALE OF McCLELLAND AND STEWART PUBLISHING FIRM TO FOREIGN INTERESTS

Mr. Doug Rowland (Selkirk): Mr. Speaker, my intervention this evening has to do with the possible sale of the publishing firm of McClelland and Stewart to foreign interests. Perhaps I might take just a moment to explain the situation which existed when I posed the question which has given rise to this debate. The publishing firm of W. A. J. Gage had been sold to United States interests. The publishing firm of Ryerson Press had been sold to United States interests, and it had just been announced that McClelland and Stewart might follow the same route.

On February 18, as reported at page 3509 of *Hansard*, I asked the Minister of Industry, Trade and Commerce (Mr. Pepin) if he was considering any specific action such as the creation of a Canadian book development corporation or the provision of long-term, low-interest loans to Canadian-owned book publishing firms in order to assist their avoiding falling into this kind of sale. At that time the minister said he would look into the matter to see what was being done.

Then on February 19, in answer to a further series of questions from myself and the hon. member for St. John's East (Mr. McGrath) the Minister of Industry, Trade and Commerce suggested that an interdepartmental committee and the Secretary of State (Mr. Pelletier) were looking into the whole problem of the foreign ownership of Canadian publishing firms. He also said that in that regard they were specifically examining the possibility of creating a book development corporation and means of promoting the sale abroad of Canadian books.

Subsequently, in a speech in this House and on other occasions I suggested five means which the government of Canada might undertake in order to prevent the sale of McClelland and Stewart to foreign interests, and also to preserve the Canadian publishing industry as it now exists and perhaps to see it grow and flourish. I suggested the creation of a Canadian book development corporation which would operate similarly to the Canadian Film Corporation, that is, provide loans for the publication of books in the expectation that any profits derived therefrom would be shared by the corporation.

I suggested the provision of long-term, low-interest loans through institutions such as the Industrial Development Bank. I suggested that more aid should be made available for the publication of scholarly and artistic works by the Humanities Research Council and the Canada Council. I suggested that a Canadian-owned book distribution system be established to operate in rivalry with the book distribution systems which now exist in Canada which are largely U.S. owned, and I suggested the creation of a Canadian book publishing house in the U.S. which would increase potentially the volume of sales of Canadian books.

Subsequent to these events the Secretary of State met with representatives of Canadian-owned publishing houses who made representations to him suggesting steps which he might take in order to maintain the industry in a healthy state. Perhaps it would be more accurate to say, to allow that industry to regain a state of health. In subsequent questions in the House I attempted to learn from the Secretary of State when action as a result of this meeting might be expected from the government. Perhaps understandably, the minister has thus far only

been able to tell me that the government is studying the representations. I am using this occasion to emphasize the urgency of the whole question of the foreign ownership of Canadian publishing houses because in the April 3 issue of the Ottawa *Citizen* there is an article headed "McClelland dickering with U.S. firms" in which the following statements are made:

> Ardent Canadian nationalist Jack McClelland is negotiating with Americans as well as Canadians to buy his book publishing firm.
>
> Six weeks after he announced he would sell McClelland and Stewart, Limited to American interests only as "an absolute, last ditch stand," the co-chairman of the Committee for an Independent Canada said he was considering offers from the U.S. following a recent trip to New York.
>
> "It is purely a protective measure on my part", he added quickly in an interview Thursday. "I've had some proposals from Canadians too".

Mr. McClelland went on to say:

> He has made repeated requests to the federal and provincial governments for long-term, low-interest capital but apparently has been turned down. Nor has he been able to obtain extensions of earlier loans.

It is obvious that Mr. McClelland wants to leave his firm in Canadian hands but is being forced into a situation, due to inaction on the part of both the government of Canada and the government of Ontario, where he must consider U.S. offers. There is, therefore, considerable urgency involved in this whole question and a statement of government policy is required immediately if we are to prevent McClelland and Stewart from going the same route as Ryerson Press and W. A. J. Gage. I have emphasized the need for action on the part of the government. This position is reinforced by the representations made to the Minister of Consumer and Corporate Affairs (Mr. Basford) in a brief entitled, "The Textbook Racket," by Art Smolensky, a senator of the University of British Columbia, and Rob McDiarmid, vice-president elect of the Alma Mater Society of the University of British Columbia. The specific complaints of the authors of this memoir are—I quote from the memoir—as follows:

• (10:10 p.m.)

> Textbooks are too expensive relative to (the student's) ability to pay for them.

In their documentation of that case they provide, with respect to English language textbooks, information relevant to the case that I am arguing this evening. They point out that 80 per cent of all library and 92 per cent of all university bookstore purchases are books not published in Canada; that only 17 per cent of all post-secondary textbook sales are from domestic publishers, roughly half of this number being published on the basis of adapted rights, and therefore less than 10 per cent of all university texts are of Canadian origin. They also quote figures from Ernst—

Mr. Deputy Speaker: Order, please. The hon. member's time has expired.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, the hon. member for Selkirk (Mr. Rowland) said in his intervention tonight that the purpose of raising this question was to draw the attention of the House to the urgency of maintaining a viable Canadian publishing industry. I would simply reiterate what has been stated by the Minister of Industry, Trade and Commerce (Mr. Pepin) and the Secretary of State (Mr. Pelletier), that this is an urgency of which we are all aware.

In the case of the pending sale of McClelland and Stewart I would like to set forth the following facts. Since the sale of McClelland and Stewart was first mooted by Mr. McClelland, officials of the Department of Industry, Trade and Commerce have been in constant touch with Mr. McClelland. At the beginning of March the Minister of Industry, Trade and Commerce met with Mr. McClelland, at which time Mr. McClelland assured him that although he was going to give U.S. companies the opportunity "to look him over" it was not his intention to sell to non-Canadian interests if at all possible. The government is sure Mr. McClelland would not take any precipitate action which would result in McClelland and Stewart passing into foreign control before consulting further with the Canadian government and the government of Ontario.

Mr. McClelland is continuing to negotiate with private Canadian commercial interests concerning the future of McClelland and Stewart, as well as with federal, provincial and private financial institutions. Of course, it would not be appropriate to comment on these discussions now. As the hon. member has pointed out, there have been a number of studies conducted and one important conference held on the state of the publishing industry. The information which we have now is far more complete than it was previously and, as I said at the beginning of my remarks, there is a very real sense of the urgency of the matter both on that side of the House and on this side. It is recognized that if publishing is to play its role it must be an economically viable industry, and all the departments concerned are continuing on an urgent basis to keep all possible options open to the government.

CANADIAN BROADCASTING CORPORATION—DENIAL OF CANADIAN TELEVISION PROGRAMS TO WINDSOR STATION

Mr. Mark MacGuigan (Windsor-Walkerville): Mr. Speaker, the facts on which this question is based are as follows: in the first week of March, station CKLW-TV in Windsor was forced to withdraw the program "Rainbow Country" after 22 of 26 episodes had been shown because the CBC, which was the Canadian distributor and the co-producer, had entered into an agreement with American purchasers which banned this series from being shown in Windsor to enable it to be shown by Detroit stations for a higher price. That this is no random example of such a happening is indicated by the fact that earlier in the viewing season the program "Audubon Theatre" had also to be withdrawn after four episodes had been shown, and for the same reason.

There are many amusing aspects of this problem. One is that after entering into a form of agreement not to

allow a series to be shown in Windsor, the CBC was not sufficiently alert to police its programming in order to see that the agreements were carried out. Another is that the CBC is a one-quarter owner of the station CKLW-TV and has agreed to take complete ownership within four years. However, these are not the important aspects, Mr. Speaker. The important aspect is the serious decision by the CBC to sell its programs to American buyers at the expense of Canadian viewers and Canadian stations.

We have to look at this from the viewpoint of both the viewers and the stations. Viewers in Windsor are confronted with the fact that they have available to them only one Canadian station out of some 15 VHF and UHF stations. The station is confronted with the fact that most American programs which are carried by the CBC cannot be carried by the CBC affiliate because the CBC has had to agree that they will not be shown there.

We have already been condemned to reruns of American programs. Are we to be condemned to reruns of Canadian programs as well? Is the CBC, if it can find American purchasers, going to sell the national news to them so that we viewers in Windsor will have to watch our news program on their station?

This is a situation there where CBC has shown a very serious lack of regard for both the station and the viewers in Windsor. It will probably plead commercial necessity; but while it is true that the CBC is not the sole producer, it is co-producer of these programs and it has considerable control over such commercial contracts.

Certainly the purpose of the CBC is not one which can be justified solely in commercial terms. The Canadian Broadcasting Corporation was established by this House for the purpose of achieving broad objectives. All these objectives might be summed up in the words "Canadian culture". If Canadians in one part of Ontario are not to have access to Canadian culture, or are to have their access to it considerably limited by decisions of the Canadian Broadcasting Corporation taken from purely commercial motives, this is not good enough. The CBC has a public duty to Canadian culture and to thousands of Canadians, especially in those parts of the country where it has affiliated stations.

I want to express to this House not only my own dissatisfaction but that of the citizens of Windsor with this action taken by the CBC.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, the CBC reports that in general, full network programs produced by the Canadian Broadcasting Corporation using its own facilities are released to all stations of the English television network, including affiliated stations such as CKLW-TV Windsor. However, CBC has accepted the practice for over ten years of not including its Windsor Affiliate in the initial scheduling of some of its programs for the following reasons: first, with respect to television series produced in the United States, and acquired by CBC from a Canadian distributor for full English television network release, United States distributors regard Windsor as part of the Detroit market in the United States, and therefore the rights acquired by the Canadian distributor seldom include Windsor. They are controlled in the United States.

Second, with respect to television series produced in Canada, and acquired by CBC from a Canadian distributor for full English television network release, except for the most inexpensive productions the sale of Canadian television rights rarely covers a major part of the full production cost. The largest television market is in the United States. In order to increase the private producer's chances for United States sales, CBC usually defers for a period of some months the right to include Windsor in its network schedule. If the Canadian producer has not made a United States sale in which the Windsor-Detroit market is involved within a specified period, CBC then has the right to schedule the series on the Windsor station.

• (10:20 p.m.)

Third, with respect to television series produced in Canada, and co-financed or co-produced by CBC, the Canadian Broadcasting Corporation acquires Canadian television rights but usually defers its Windsor rights for the second reason given above. In order to attract production capital it is essential that United States market possibilities be enhanced. In CBC's view, the encouragement of private production companies is an important consideration in the development of Canadian content. The Canadian market is small in relation to the cost of production of television series. Nevertheless, an attempt is made to balance the private producer's cost-recovery problems against the desirability of including Windsor in the primary scheduling of full English television network programs, and wherever possible this is done.

I say simply, by way of conclusion, that in view of the hon. member's deep and abiding interest in this matter which affects his riding it might be useful to explore reasons one and two in particular with CBC officials when they come before the Standing Committee on Broadcasting, Films and Assistance to the Arts.

Motion agreed to and the House adjourned at 10.25 p.m.

HOUSE OF COMMONS

Tuesday, April 6, 1971

The House met at 2 p.m.

[*Translation*]

HOUSE OF COMMONS

PRESENCE IN GALLERY OF ITALIAN PARLIAMENTARY DELEGATION AND SECRETARY GENERAL OF INTER-PARLIAMENTARY UNION

Mr. Speaker: May I bring to the attention of hon. members the presence in the gallery of a delegation of parliamentarians from an enchanting country with which we have close ties of friendship; I am referring to Italy.

[*English*]

This distinguished group representing both Houses of the Italian Parliament is led jointly by Senator Antonio Pecoraro, and by the Honourable Giuseppe Fracassi. On behalf of all members of this House, I am pleased to extend to these visitors a most cordial welcome to Canada.

Some hon. Members: Hear, hear!

Mr. Speaker: An equally distinguished compatriot of the members of that delegation is also present in the Speaker's gallery today, although he is here on a distinct mission. He is the recently appointed Secretary General of the Inter-Parliamentary Union, Mr. Pio-Carlo Terenzio.

[*Translation*]

Hon. members, especially those who are members of the Canadian group of the Inter-Parliamentary Union, are honoured that Mr. Terenzio should have come here for the express purpose of getting in touch with them at the beginning of his mandate. We wish him a most cordial welcome to Canada.

• (2:10 p.m.)

ROUTINE PROCEEDINGS

THE CENSUS

TABLING OF LIST OF COMMISSIONERS

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to table, pursuant to Standing Order 41(2), the list of the census commissioners appointed on April 1, 1971, for the 1971 census.

ORAL QUESTION PERIOD

[*English*]

MANPOWER

MEASURES TO ASSIST SCIENCE AND ENGINEERING GRADUATES TO OBTAIN APPROPRIATE EMPLOYMENT—STIMULATION OF RESEARCH AND DEVELOPMENT

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the President of the Treasury Board. In view of the very alarming forecast with regard to the difficulties that graduates in science and engineering are foreseen as encountering in the immediate future and perhaps for some time, may I ask the President of the Treasury Board whether he has any measures in mind to recommend to the government or any measures that he proposes to take to assist these graduates in obtaining appropriate employment in Canada so that we may retain the services of these highly trained individuals in Canada and avoid also discouraging those who are in the process of training in these fields? Has the minister any plans to propose?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, the hon. gentleman has made reference to what is a very serious problem in the field of science and engineering graduates which was to some extent evident last year, will be much more apparent this year and, again, will be a continuing problem next year. The report that has been published makes quite clear that it is unlikely that these science and engineering graduates, these highly trained men, will be without employment but suggests that perhaps they will not find for themselves the kind of employment which would be ideal from the point of view of their training. The fact of the matter is that, given the state of industrial and economic development which this country now has, given the degree to which our industrial and economic machinery in the scientific and technological field is currently staffed, there will not be immediately available the places to absorb, in the kinds of positions which have been classical in the past, all the opportunities needed. There will, I am sure, be employment for these qualified men, which will have the result of upgrading, I hope quite substantially and generally, our technology and its application.

Mr. Lewis: What did the minister say? What did you say, Bud?

Mr. Stanfield: Mr. Speaker, I think in summary the minister said—

Mr. Speaker: Order, please. Perhaps the Leader of the Opposition might ask a supplementary question.

An hon. Member: The reply will be interesting.

Mr. Stanfield: May I ask the minister whether one of the fundamental reasons for the difficulty being faced by these engineering and science graduates is that research and development units developed by private industry have practically levelled off during the last three years under the present administration? Is the difficulty of these graduates not substantially due to the stagnation of research and development in this country—

Mr. Speaker: Order, please.

Mr. Stanfield:—in private industry? Has the minister any plans—

Mr. Speaker: Order, please. The question of the Leader of the Opposition, it seems to me, is in the form of an argument. I doubt whether it is in order.

Mr. Stanfield: Mr. Speaker, may I ask the President of the Treasury Board whether he has any plans to encourage and stimulate the development of research and development units in the private sector in view of the difficulty that has been indicated?

Mr. Speaker: Order, please. The minister will be allowed to reply briefly to the Leader of the Opposition who asked him to indicate if he has any plans. If the minister has plans, I think that normally they should be announced or elaborated upon by way of a statement on motions.

Mr. Doug Rowland (Selkirk): I have a supplementary question for the Minister of National Revenue with regard to the study he is now undertaking for the government with respect to foreign ownership. Will his study deal with the suppressive effect of branch plant operations in Canada on the research and development sector of our economy? Also, will the minister have suggestions to offer in that report for beefing up the research and development sector of the economy?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, this is one of the elements that has been looked at.

Mr. Rowland: I wish to direct a further supplementary to the Minister of Supply and Services. Will the minister be looking into the suggestion contained in the science council background report that government contracts and other purchasing agreements might more commonly include provisions for research and development expenditures as a means of obtaining improved supplies and services for the government?

Hon. James Richardson (Minister of Supply and Services): I will be looking at the report, Mr. Speaker.

Mr. Stanfield: A supplementary question. I wish to ask the President of the Treasury Board whether he has any programs to encourage research and development. If so, will he take the earliest opportunity to inform the House about them?

Mr. Drury: Mr. Speaker, I think the House is aware that the Department of Industry, Trade and Commerce has a number of programs in the science and engineering field. It is in the process of revising them to make them more effective than they have been over the past year.

Mr. Stanfield: A further supplementary. I wish to ask the Minister of Industry, Trade and Commerce when he will be able to inform the House as to the measures he proposes his department and the government should take to encourage research and development?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, if the hon. gentleman had had the privilege of taking part in the discussion of our estimates going on now in committee, he would have heard a full report on the amount of research and development support to industry which is given by my department. He would know that we are constantly revising our programs to make them more effective. He would also know that we have made some major changes for example in our DIP program to make it more civilian-oriented than in the past and that we have made many changes in the PAIT program to convert to grants what used to be offered as loans.

Mr. Speaker: Order, please. I suggest that very soon we ought to go on to another subject, but for the moment I will recognize the hon. member for Joliette.

* * *

[Translation]

PUBLIC SERVICE

FRANCOPHONE HIRING PROGRAM— NUMBER ALREADY EMPLOYED

Mr. Speaker: Does the hon. member for Joliette wish to put a supplementary question?

Mr. Roch La Salle (Joliette): Yes, Mr. Speaker. I should like to direct a question to the President of the Treasury Board.

With reference to the policy of hiring 250 francophones, I should like to ask the minister whether he can say if he has started hiring these francophone university graduates, and how long it will be before these 250 francophones are recruited?

Mr. Speaker: I dare suggest to the hon. member that his question is not directly related to the one asked by the Leader of the Opposition, but since the question has been put, it may be simpler to let the minister answer it.

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, I will be glad to try to get this information and relay it to the hon. member.

[*English*]

INDUSTRY

CHEMICALS—INQUIRY AS TO REPORT OF JOINT COMMITTEE ON PROBLEMS

Mr. Jack Cullen (Sarnia-Lambton): I wish to direct a supplementary question to the Minister of Industry, Trade and Commerce in connection with the chemical industry and the fact that they would employ many of these graduate students. Has the minister's department heard yet from the joint government-industry committee which was set up to study the problems being faced by the chemical industry? Has that committee made a report to the government yet?

Mr. Speaker: Order, please. Again I respectfully suggest to the hon. member that the supplementary is not related to the original question. The question will be allowed, but the Chair will recognize the hon. member for Nanaimo-Cowichan-The Islands on a different subject immediately thereafter.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, that study is very well known in my department because my department is taking part in it. The report on the necessity of having more foreign markets in order to build a viable base in Canada, has not yet reached me. I am waiting for it.

* * *

ENERGY

PROPOSED MACKENZIE VALLEY PIPELINE—AVAILABILITY OF BASIC INFORMATION TO PUBLIC

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): May I direct a question to the Minister of Energy, Mines and Resources arising out of his speech in Vancouver to the Canadian Pipeline Constructors Association in which he called for a great public debate on the question of a northern pipeline on the ground that an informed public was needed in order to advise the government so that the latter could produce sound and lasting decisions. In view of the fact that public participation in such a dialogue requires certain basic information to be furnished, can the minister tell us when we may expect, first, the white paper on energy resources, second, the ecological studies of the effects of a pipeline in the Arctic and, third, a report on the economic impact of a project of this magnitude?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I am not sure what the hon. member has in mind when he refers to a white paper. No such paper is contemplated at the present time. With regard to the many studies which are being made in connection with the economics and the ecological safety of a pipeline through the Mackenzie Valley, both I and, I believe, some of the organizations in the private sector which are undertaking such research, have disclosed at considerable length what is going on. Whether the scientific papers will be disclosed or whether they will be left for use should an application be made has not yet been decided, but certainly the nature and extent of these studies has been disclosed by me here in the House, at Vancouver and other speeches and also by the pipeline researchers themselves.

CANADIAN COMMUNICATIONS CORRIDOR FROM ALASKA TO UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the fact that the report of the minister's speech indicates that he spoke of a Canadian corridor from Prudhoe Bay to the United States border through which would run oil and gas pipelines, a highway and a railway, I want to ask whether the government has any plans for constructing a highway and a railway through the Arctic or whether this reference was merely a manifestation of the minister's exuberance?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): I do not believe the speech itself dealt with the specifics of what would be in the corridor but reference was made to one of the guidelines issued by the government in August in anticipation of the pipeline question and after two years of research. This indicated there would not be pipelines or roads or rails all over the north but that there would be a single corridor concept through which all the various avenues of communications would be directed.

Mr. Douglas: In view of the statement by Mr. Edward Patton, President of Alyeska Pipeline Service Company, when he was appearing before a legislative committee in Alaska, to the effect that the Alyeska Company was not interested in building a pipeline through Canada, may I ask the minister whether there is any group presently evincing an interest in the construction of such a pipeline or whether the debate which is contemplated is going to be about a pipe-dream rather than about a pipeline?

Mr. Speaker: Order, please.

* * *

[*Translation*]

THE CENSUS

INQUIRY RESPECTING APPOINTMENTS OF COMMISSIONERS

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I wish to direct a question to the Minister of Industry, Trade and Commerce.

Could the minister say what procedure was followed by his department for the appointment of census commissioners, a list of which he has just tabled in the House, since for the constituency of Shefford, for instance, I note that all six commissioners are officials of the Liberal party organization in Shefford?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, the answer is very easy. I simply followed the procedure described in section 5(1) of the Statistics Act. At one time, I did consider consulting my hon. friend to ask him for names but as I know, first

of all, that he has no friends but his supporters, and in the second place as I know he was opposed to my appointing supporters, I refrained from doing so.

Mr. Rondeau: I have a supplementary, Mr. Speaker. Further to his reply, can the minister assure us that the names appearing on the list are really those of commissioners, and that he has not inadvertently submitted the list of members of the Liberal association of my riding?

Mr. Speaker: Order. As phrased, the question is hardly in order.

* * *

[*English*]

REGIONAL ECONOMIC EXPANSION

MARITIME PROVINCES—CHANGING OF FINANCIAL POLICIES IN KEEPING WITH ATLANTIC DEVELOPMENT COUNCIL RECOMMENDATIONS—REQUEST FOR TABLING OF REPORT

Mr. James A. McGrath (St. John's East): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister. It concerns a report just released an hour ago in Halifax by the Minister of Regional Economic Expansion containing the recommendations of the Atlantic Development Council, a government agency. Is the government now prepared to change its monetary, fiscal and tariff policies in keeping with the recommendations of the council to foster and generate economic growth in the Atlantic area?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot answer the question directly beyond saying that we have had policies that are precisely designed to foster economic growth in those areas and which in fact have had that effect.

Mr. McGrath: A supplementary question to the Prime Minister. Has the government received the report, has it been considered in cabinet, and will the Prime Minister table the report which was released to the press in Halifax just an hour ago by one of his ministers so that members of the House will have the same privilege that the press have at the present time?

Mr. Speaker: The hon. member for Fundy-Royal on a supplementary.

Mr. McGrath: Mr. Speaker, the Prime Minister wanted to answer my question. I wish he would do so.

Mr. Speaker: There seems to be some reluctance. The Chair recognizes the hon. member for Fundy-Royal on a supplementary.

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a supplementary for the Minister of Industry, Trade and Commerce in relation to the statement. What steps is the government taking to lower trade barriers so that an increase in trade can take place between the Atlantic provinces and the New England states, as forecast in a speech by the Prime Minister in Saint John last December and as taken seriously by the Atlantic Development Council and, incidentally, by M.P.'s from the Maritimes?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Generally speaking, Mr. Speaker, we do not lower tariffs on a regional basis. Second, it is very doubtful whether the United States government would have the power to negotiate such tariff reductions at this time.

Mr. McGrath: Mr. Speaker, may I redirect my question, which the Prime Minister refused to answer, to the now occupied President of the Privy Council. May I ask the government House leader whether the government has received the report of the Atlantic Development Council released just an hour ago to the press by the Minister of Regional Economic Expansion, and is the minister prepared to table the report so that Members of Parliament will have a chance to study it?

Mr. Speaker: My understanding is that this is a matter that does not come under the administrative responsibility of the minister. I believe the hon. member's question was properly directed in the first instance when it was asked of the Prime Minister.

Mr. McGrath: Then may I redirect my question to the Prime Minister, Mr. Speaker. May I say, with great respect, that this report was released in the city of Halifax by the Minister of Regional Economic Expansion, and all I am asking is that the Prime Minister table the report so that Members of Parliament may have a chance to look at it.

Mr. Trudeau: Mr. Speaker, I understand that this is a report that was directed by an advisory council to the minister just in the last few days. I have not yet seen a copy of the report, but I would invite the hon. member to table his copy and perhaps the House can then study it.

Mr. McGrath: Mr. Speaker, I am pleased to comply with the wish of the Prime Minister and I table a copy of the report forthwith.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I suggest to hon. members that even the right hon. Prime Minister cannot change the rules.

Some hon. Members: Oh, oh!

Mr. Speaker: The hon. member knows that he cannot table a document. According to our rules this is not in order. The hon. member may bring the document to the attention of other hon. members, but there is no provision under our Standing Orders for a member of the House to table a document in the way which is now being attempted by the hon. member for St. John's East.

Mr. McGrath: I rise on a point of order, Mr. Speaker. May I then ask for the unanimous consent of the House to revert to motions so that I can table this report under the provisions of Standing Order 41(2)?

Some hon. Members: Hear, hear!

Some hon. Members: Agreed!

Mr. Speaker: Order, please. I really do not think that the provisions of Standing Order 41(2) are applicable in this instance. In any event, I will read Standing Order 41(2) for the benefit of hon. members. It reads as follows:

A Minister of the Crown, or a Parliamentary Secretary acting on behalf of a Minister—

The hon. member may have been either promoted or demoted, according to the way he wants to look at it, but it is not my understanding that he falls under either of these two designations. I suggest to hon. members that we are not making much headway in this regard. The hon. member has no right under the rules to table the document.

Mr. McGrath: I rise on a further point of order, Mr. Speaker. May I say, with great respect, that I was acting on behalf of the Prime Minister.

Mr. Speaker: Order, please.

* * *

THE CENSUS

TYPE OF QUESTIONS TO BE ASKED

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Minister of Industry, Trade and Commerce. It has to do with a document which, if tabled in the House, would be incomprehensible to most members. I refer to the 1971 census which is full of questions of all varieties and types, including such questions as, when you enter your living quarters do you go in by a common hall or through someone else's living quarters.

Some hon. Members: Oh, oh!

Mr. Diefenbaker: It also asks, do you have a flush toilet, and other questions of an intimate nature in the domesticity of the home. It also has all the appearance of being of interest to those who have set out certain principles in the white paper on taxation because it asks, if you were selling your home now, how much would you expect to get for it.

I ask the minister whether he reviewed this conglomerate mess before it was made available as an official document? I would like very much to know why "snoopocracy" of this kind is being tolerated today in our country.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I hope that the opposition will sooner or later get together and reconcile their views. One day I am accused by one of them of playing with statistics, of telling DBS what to do, and the next day I am accused of not doing so.

Some hon. Members: Oh, oh!

Mr. Baldwin: Yes, we are right on both counts.

Mr. Pepin: I suggest that they should make up their minds.

Mr. Diefenbaker: So the minister's admission is that this is an opportunity for the government to obtain correct statistics, and if you do not answer every question you are liable to a $300 fine—

Mr. Speaker: Order, please. The right hon. gentleman may have a supplementary question.

Mr. Diefenbaker: Yes, Mr. Speaker, I am coming to the question. In view of the fact that the fine will be $300 if you do not answer this mess of questions, does the minister not agree that there will be only two classes of people in Canada, those in jail and the rest waiting to get in?

* * *

AGRICULTURE

ALLOCATION OF DAIRY QUOTAS—AVAILABILITY TO PROSPECTIVE PRODUCERS—REQUEST FOR STATEMENT ON PROPOSED CHANGES

Mr. A. P. Gleave (Saskatoon-Biggar): I should like to ask the Minister of Agriculture whether he can inform the House if any change is contemplated in the policy which has been followed by the Canadian Dairy Commission in respect of the allocation of dairy quotas to producers. Will some quota allotments be made available to prospective producers who do not now have quota allotments or do not qualify under the policy that has been followed?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I do not believe that any policy changes are under consideration at present which would increase the total amount of the subsidy eligibility quota, but I could advise you, Sir, that discussions are going on now between the provincial agencies responsible for milk marketing and the Canadian Dairy Commission as to the way of transferring both the market-sharing quota and the subsidy eligibility quota.

Mr. Gleave: I have a supplementary question, Mr. Speaker. In view of the minister's reply to my question, would he be prepared to make a statement on motions very soon and inform the House as to what changes his department, in consultation with other governments, is proposing to make?

Mr. Olson: Yes, Mr. Speaker, I think I would be prepared to make a statement on motions as soon as there is general agreement between those provinces which have entered into a market-sharing quota and the Canadian Dairy Commission as to the new rules, regulations and criteria for transfers.

Mr. Gleave: The minister referred to those provinces which have entered into an agreement. May I ask the minister what the position of those provinces which have not entered into an agreement will be, and will his statement cover that?

Mr. Olson: Quite obviously there is no question of transferability of the market quota in those provinces which do not have a market quota. In so far as the

subsidy eligibility quota is concerned, there may be some consequential and minor amendments required, but we do not intend to have a major change in the transfer of the subsidy eligibility quota at the moment.

DAIRYING—TRANSFER OF QUOTAS WITHOUT INCLUSION OF HERD AND IN SMALLER AMOUNTS

Mr. R. E. McKinley (Huron): I wonder if the minister, before making his statement on motions, would give consideration in the negotiations to having the federal quotas transferred without inclusion of the herd, and also would he consider whether smaller amounts could be transferred?

Hon. H. A. Olson (Minister of Agriculture): That is one of the considerations that the negotiations are taking into account now.

[*Translation*]

DAIRYING—POLICY RESPECTING ANTICIPATED PENSIONS AND TRANSFORMATION OF CERTAIN OPERATIONS

Mr. Roch La Salle (Joliette): Mr. Speaker, I would like to ask the minister a supplementary question.

At the last meeting with provincial ministers, was any reference made to new funds or grants with regard to, if I am not mistaken, pre-retirement benefits for older producers and transformation of some operations? Is the minister in a position to say what he thinks about it and whether the policy will be announced soon?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker, I cannot give any further details respecting this until we have come to an understanding with the provinces. We have had one meeting with all the ministers. There is another meeting later this month of the deputy ministers. If at that time there are some positive details that can be announced that have been agreed on, I will be happy to do so.

* * *

[*Translation*]

THE CENSUS

PUBLICATION OF LIST OF COMMISSIONERS AS APPENDIX TO HANSARD

Mr. Roland Godin (Portneuf): Mr. Speaker, I would like to ask a question of the Minister of Industry, Trade and Commerce.

In view of the fact that a large number of Canadians are currently seeking employment and that census commissioners are in a position to hire personnel, could the minister have printed in appendix to Hansard the list he tabled so that the unemployed know where to apply for a job?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this list is available and should my hon. friend want a copy of it, I shall be pleased to send him one.

[Mr. Olson.]

[*English*]

NATIONAL DEFENCE

STATUS OF RESTRUCTURING OF PAY SCHEDULES OF CANADIAN ARMED FORCES

Mr. J. M. Forrestall (Dartmouth-Halifax East): My question is for the President of the Treasury Board. Can the minister bring us up to date on the present status of the restructuring by him and his colleague, the Minister of National Defence, of the pay schedules for the Canadian Armed Forces, promised for some time this month?

Hon. C. M. Drury (President of the Treasury Board): I will have to take notice of the question, Mr. Speaker.

* * *

AGRICULTURE

PROPOSED SALE OF IMPORTED BULLS—RETENTION OF SEMEN FOR CANADIAN FARMERS AND RANCHERS

Mr. Cliff Downey (Battle River): My question is for the Minister of Agriculture. In view of the proposed sale by the Department of Agriculture of imported bulls presently being held for semen collection at the government experimental farms at Lacombe and Brandon, can the minister assure the House and farmers of the nation that any sale will be made with the assurance that a percentage of the semen collected will be retained by the Department of Agriculture so that semen will be available to Canadian farmers and ranchers at a price they can afford?

Mr. Speaker: I am not sure whether this might not be the kind of question which might easily be placed on the order paper.

* * *

HOUSING

URBAN RENEWAL FUNDS—DIRECT DEALING WITH MUNICIPALITIES

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the minister in charge of housing. In view of the statement issued by the Federation of Mayors and Municipalities that present federal government policies may be making the housing situation worse instead of better, would the minister put an immediate end to the freeze on urban renewal funds and in so doing deal directly with the muncipalities which have a better view of the situation and are more sensitive to the needs of the people?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there was not a curtailment of urban renewal funds. We are in fact spending more on urban renewal now than before the dialogue and debate arose as a result of the task force on housing and urban affairs about two years ago. I did tell the mayors we were interested in discussing this as well as all other urban problems in tri-level consultations which are hopefully scheduled to begin before too long.

MONTREAL—REPLY TO CITY'S HOME RENOVATION PROPOSALS

Mr. Warren Allmand (Notre-Dame-de-Grâce): Mr. Speaker, I have a supplementary question for the minister in charge of housing. Has the minister given any reply to the city of Montreal regarding the proposals that city made to him about two weeks ago regarding the renovation of 100,000 homes in the Montreal area?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, we had a very constructive meeting about two weeks ago with the Minister of Municipal Affairs from the province of Quebec and some of his officials and the mayor of Montreal and Mr. Niding and some of their officials from the city administration. We agreed to establish a co-ordinating and working committee between the federal government, the provincial government and the city of Montreal to address ourselves to all those problems. I heralded that meeting and the commitment to consult further as a major breakthrough in tri-level co-ordination and co-operation.

URBAN RENEWAL—USE OF TRI-LEVEL COMMITTEES TO INVESTIGATE CITY PROBLEMS—ESTABLISHMENT OF GUIDELINES

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a supplementary to the minister in charge of housing. Am I to take it from the minister's answer that this will be the policy of the government in order to alleviate the growing problems of the major cities throughout the country?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I think that one flew past my ear. I am not quite sure to what the hon. member is referring.

Mr. Alexander: Mr. Speaker, perhaps I can explain it a little more clearly for the minister. In view of the fact he has just indicated he is setting up a committee representative of the city of Montreal, the province and the federal government to look into that city's several urban problems, will that be the policy of the government in respect of all other major cities throughout the country, including the city of Hamilton which has been continually pressing the minister for more funds for urban renewal?

Mr. Andras: Mr. Speaker, without going back to the more funds for urban renewal for Hamilton question, which battle we fought last year, the general principle of tri-level negotiation and co-operation, if the provinces are willing to join with us in that kind of endeavour, is very close indeed to my heart.

Mr. Alexander: Mr. Speaker, in view of the fact that the mayors and reeves have indicated how important urban renewal problems are, or regeneration as the case may be, is it the intention of the minister to bring down guidelines now keeping in mind the several suggestions which have been made by the mayors in order that we can have some sort of policy from this government in terms of attempting to alleviate the several problems of urban renewal?

Mr. Speaker: Order, please. Perhaps the minister might reply briefly. We have spent quite a bit of time on one question and three or four supplementaries.

Mr. Andras: Mr. Speaker, urban renewal under section 23(b) of the National Housing Act is only one of many programs, and last year we spent $1.1 billion and this year we will spend about $1 billion directly through CMHC, to say nothing of the vast amounts of money being spent by many other departments of this government in help to the cities.

Mr. Speaker: Order, please. Is the hon. member rising on a point of order?

Mr. Alexander: Mr. Speaker, I am certainly accustomed to the answer the minister has continually given me for the past two years. All I asked was whether the government is thinking about indicating guidelines in respect of urban renewal, and the minister will not answer the question.

Mr. Speaker: Order, please. Perhaps the hon. member may not be satisfied with the reply given by the minister but I suggest to him that is not a point of order.

PROPOSED REHABILITATION AND SOCIAL SERVICE PROGRAMS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a supplementary to the minister. Is he giving consideration to the proposals made yesterday that the federal government fund neighbourhood rehabilitation programs and fund social service programs to permit improvement of the environment in other forms except provision of shelter?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, this much more comprehensive approach is one we are examining with great sympathy and with a considerable bias toward ultimately arriving at this kind of policy approach.

* * *

LABOUR CONDITIONS

UNEMPLOYMENT—PROJECTED REDUCTIONS FOR 1971

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Prime Minister. As the Prime Minister has rejected the requests of Metro Toronto and the city for additional programs to fight the problems of high unemployment on the ground that present government policies are more effective, is the Prime Minister able to give the House specific levels of reduced unemployment for 1971?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I cannot, of course, predict what will happen in the months to come, but for the month already expired the figures have been given to the House and they are known to the House.

Mr. Ryan: Mr. Speaker, would the Prime Minister undertake to work out some projections of reduced unemployment levels for the country for the year ahead?

Mr. Trudeau: Mr. Speaker, at the time of the budget we do attempt to indicate to the House of Commons and to the people the shape of economic things to come.

Inquiries of the Ministry

CITIZENSHIP

ALLEGED INTERFERENCE BY CIVIL SERVANTS IN JUDGES' DECISIONS—SPECIAL STATUS FOR BRITISH SUBJECTS

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, in the absence of the minister responsible for citizenship I should like to direct my question to the Prime Minister. Following charges yesterday by a citizenship court judge to the effect that senior civil servants attempt in some instances to influence decisions on citizenship applications and the British subjects are given additional special status by Ottawa officials, would the Prime Minister tell the House what his reactions are to these charges and whether he would ask the minister responsible to conduct a personal inquiry into the matter?

Mr. Speaker: Order, please. Perhaps the second part of the question is in order, but the hon. member cannot ask what the Prime Minister's reaction was to the circumstances to which he has alluded. The Prime Minister might reply to the second part of the hon. member's question.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, the subject was drawn to my attention before coming into the House and I have ascertained that the minister will do what the hon. member suggested. He will look into the matter, make an inquiry and report to the House as soon as possible, perhaps even tomorrow when he will be in the House. Could I be allowed to answer a question asked yesterday, Mr. Speaker?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. There is no difficulty whatsoever about the Prime Minister answering a question asked yesterday. A suggestion was made by a member of the cabinet the other day that the Chair does not allow ministers to take the initiative to reply to questions asked previously. What I have objected to from time to time is that a minister, while he has the floor, replies to a prior question without allowing a supplementary. However, since there is no supplementary at this time it is quite in order for the Prime Minister to seek permission of the House and of the Chair in order to reply to a prior or previous question.

* * *

BILINGUALISM AND BICULTURALISM

REQUEST FOR TABLING CORRESPONDENCE CONCERNING CONCLUSION OF COMMISSION'S WORK

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I was asked a series of questions yesterday concerning the B and B commission and I wish to refer particularly to the question concerning the exchange of correspondence between myself and members of the commission. I did look into it and I can report to the House there was no further exchange of correspondence beyond that already tabled in the House on March 17, which corresponded pretty directly to the type of question asked by the hon. member for York South. That was tabled on March 17 and I have not been able to find any further correspondence.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary. Did the Prime Minister not get a letter from one of the commissioners, Professor J. B. Rudnyckyj, dated March 16 in which he made certain recommendations to the Prime Minister, and would the Prime Minister be prepared to table that letter?

Mr. Trudeau: Mr. Speaker, I cannot remember having received such a letter but I will look into it and if I have I will see if it can be tabled.

* * *

GRAIN

WHEAT—PREVIOUS LOANS UNDER CASH ADVANCE PROGRAM—DATE MONEY AVAILABLE IN CURRENT CROP YEAR

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Agriculture. In view of the substantial changes being made in the cash advance program for the 1971-72 crop year, when will the minister be in a position to announce what the situation is regarding previous loans, and the date cash advances will be available in the current crop year?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, if there are to be substantial changes in the cash advances program I am sure that my colleague, the minister from Saskatchewan, after taking that into account will announce whatever changes are necessary to take care of the advances that are outstanding now.

* * *

NATIONAL PARKS

ELK ISLAND—ANIMAL STARVATION—FAILURE OF WILDLIFE SERVICE TO DIRECT REDUCTION IN ELK POPULATION COMMENSURATE WITH FEED SUPPLIES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I have a question I wish to direct to the Minister of Indian Affairs and Northern Development who is supposed to be here today, but in his absence I will direct it to the acting minister or to his parliamentary secretary. It has to do with the starvation of elk and other animal wildlife in Elk Island National Park. In view of what has transpired there, can the parliamentary secretary indicate whether the department is looking into the operations of the Canadian Wildlife Service, which serves the parks administration in an advisory capacity, to determine why a directive was not issued recommending a fall reduction in the elk population commensurate with available feed supplies?

Mr. Speaker: Order. It seems to me that this kind of question might be placed on the order paper. I am not

familiar with the details of the matter brought to the attention of the House by the hon. member, but it seems to me he is referring to a situation that has already passed, and, in those terms the question might be placed on the order paper. In any event, I note that the parliamentary secretary has taken notice of the question.

Mr. Mazankowski: On a point of order and with all due respect, Mr. Speaker, since park officials are now engaged in mercy killing of elk and other wildlife, with the meat being of no saleable—

Mr. Speaker: Order, please. I appreciate the additional circumstances mentioned by the hon. member, but he has noted that the parliamentary secretary has taken notice of the question.

Mr. Mazankowski: On a point of order, Mr. Speaker, I would merely like to ask the parliamentary secretary whether he can give the House and the people of Canada an assurance that such a situation will not happen again in the future?

* * *

OIL

PROPOSED NORTHERN PIPELINE—DETAILS OF ECOLOGICAL STUDIES

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Energy, Mines and Resources. In view of statements made by the Canadian Wildlife Federation that there is little research being conducted on the ecological results of oil pipelines in the north, will the minister list with the House the studies presently under way, the location of each project, and the staff which is carrying it out?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker—

Mr. Speaker: Order. I would think that question should be placed on the order paper.

* * *

ELECTIONS

PROVISION OF RIGHT TO VOTE TO CANADIANS RESIDING OUTSIDE COUNTRY

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, I have a question for the Prime Minister. Will urgent consideration be given to providing the right to vote to all eligible Canadians residing outside Canada in the next federal election, particularly people who are employed at the United Nations and others who are not in the armed services?

Mr. Speaker: The hon. member's very interesting question could also be placed on the order paper.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Energy, Mines and Resources.

Would he tell the House if he intends to ask the government to amend the Bank of Canada Act and the Bank Act concerning chartered banks to establish government participation in the major decisions of the banks and the economic independence they advocate?

Mr. Speaker: I believe that the question asked by the hon. member has already been asked several times and I wonder if it could not be put on the order paper.

* * *

[*English*]

BROADCASTING

PROVISION OF TELEVISION SERVICE TO NORTHERN COMMUNITIES—CONSULTATIONS WITH RESIDENTS ON PROGRAMMING

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is also for the Minister of Indian Affairs and Northern Development but in his absence I will direct it to his parliamentary secretary. In view of the fact that television will soon be available to northern communities through the Telesat satellite, are there any plans, or have consultations been held or are consultations being held with northern residents, concerning programming? Further, are there any plans to include natives in the areas of acting and film production as recommended recently by the National Indian Brotherhood?

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I am not familiar with the details but I will be happy to draw the matter to the attention of the minister.

* * *

INDIAN AFFAIRS

SUMMER EMPLOYMENT FOR STUDENTS

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): While I am on my feet, Mr. Speaker, I wish to state that in reply to a question from the hon. member for Athabasca last Friday I indicated that it was my assumption that the jobs provided in the Department of Indian Affairs and Northern Development for native students would be filled through the Public Service Commission. In fact they are being handled through the regional offices of the Department.

Mr. Speaker: Orders of the day.

Textile and Clothing Board Act

• (3:00 p.m.)

GOVERNMENT ORDERS

TEXTILE AND CLOTHING BOARD ACT

PROVISION FOR ESTABLISHMENT, INQUIRIES, REPORTS, ADJUSTMENT ASSISTANCE FOR WORKERS

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce) moved that Bill C-215, to establish the Textile and Clothing Board and to make certain amendments to other acts in consequence thereof, be read the third time and do pass.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, on rising to speak on Bill C-215, an act to establish the Textile Clothing Board, I should first like to make some general comments regarding the basic liberal philosophy which surrounds so many of the current problems facing the country. I would commend to all hon. members on the opposite side of the House a book written by that distinguished spokesman for conservatism, William F. Buckley, entitled "Up From Liberalism." One of the chapters in Mr. Buckley's book is entitled "The Liberal—and the Obliging Order," sub-headed "Our Age of Modulation." Mr. Buckley has several interesting things to say. Mr. Speaker, I suggest that the age of liberal modulation is in no way better illustrated than in the liberal lexicon for describing current social phenomena. For instance, it is most revealing to note that no longer do our societies have ghettos, but rather in the liberal view we have "centres of ethnic concentration," and so on.

I have made these introductory remarks merely to illustrate that once again this confused manner of liberal thinking is present in the bill now under consideration. The Minister of Industry, Trade and Commerce (Mr. Pepin) refers to the bill as having the purpose of "rationalizing" the textile and clothing industry in Canada, whereas in every eventuality, as I believe all hon. members on this side of the House know, the result of the bill will be to build a high protectionist tariff wall, particularly around low cost cotton imports.

I wish to quote a few passages from an editorial entitled "Protection Will Out" which was published in the Winnipeg *Free Press* on March 22, 1971:

> Any doubts as to Mr. Pepin's attitude should be dispelled by his response as minister to various proposals for modifying the bill. Since it first appeared there has been much criticism that it goes too far, even on the doubtful premise that something more should be done for the textile industry...In consequence, various amendments were offered when the legislation was reported back to the House. Their purpose was not to destroy the bill; merely to remove or ameliorate some of its worst features. It would have been quite open to Mr. Pepin to accept any of these or to propose acceptable substitutes. This is a perfectly normal procedure; the government would have lost nothing by following it and might have gained marks for good sense.
>
> What happened? The first amendment on Thursday was in the name of Gordon Ritchie and called for regional representation on the new clothing board. The method proposed may have been imperfect but the intent—of providing a consumer voice—was clear enough. Mr. Pepin rejected this out of hand...
>
> The next two amendments were offered by G. W. Baldwin. In these cases the intent was even clearer. It was to limit the new textiles legislation to textiles. For the astonishing thing about the bill is that it is not so limited. Under the guise of helping one afflicted industry, it opens the way to general restriction by order in council. One section of it refers to the anti-dumping act, using the words: "in respect of any goods other than textile and clothing goods." Thus, if there is injury—or even threat of injury—to manufacturers not in textiles, the government will be able to rescue them too by placing the offending goods, on the import control list. For Mr. Pepin, that is a convenient arrangement. He turned down the amendment.
>
> Mr. Baldwin then moved to delete clause 27 of the bill, which refers to the Customs Act, again using the word "goods". The purpose here is to reinforce the government's method of blocking imports by imposing "voluntary" quotas on other states.
>
> As Mr. Baldwin judiciously observed, there is no more connection between that clause and the inherent principles of a textile bill than there is between rapeseed and immorality. But again, it provides a weapon of convenience for a protectionist minister and Mr. Pepin would not tolerate its removal...
>
> With this in hand and no one upset (apart from knavish importers and long suffering consumers), he will be able as minister in charge of trade and commerce to revert to the congenial task of lecturing a wayward world on the evils of restrictionism and the superior morality of freer trade as practised preferably on a one-way basis by this enlightened nation.

It seems to me, Mr. Speaker, that Bill C-215, simply reflects the fact that certain sectors of the Canadian textile and clothing industry are uncompetitive with their counterparts in other countries of the world. Following from that summary of the problem, we must then look to see what proposals are being put forth in this bill to remedy the situation, what the people who are most actively engaged in the industry think their basic problems to be, and what their assessment is of the likelihood of these problems being overcome in the foreseeable future.

During the course of the examination of this bill by the Standing Committee on Finance, Trade and Economic Affairs of which I am a member, we had the opportunity of hearing a number of expert witnesses representing different and contrasting viewpoints on the implications of this proposed bill. A number of them also commented at length on the state of the Canadian textile and clothing industry. One such witness was Mr. G. L. Bruck, President, Bruck Mills Limited, who appeared before the committee on February 18, 1971.

The hon. member for Ontario (Mr. Cafik), asked Mr. Bruck if he thought there was any real hope of the Canadian textile industry becoming competitive in the international market in Canada. Mr. Bruck responded as follows, and I quote:

> Well, my answer is "yes", we are competitive with most countries in the international field and I mean truly competitive. We are not complaining about what is happening to us from importations from the European countries, or even the United States. We feel that with the present tariffs, although they are not terribly high, they are adequate, and we have to learn to operate within these limitations.
>
> To say that we must be competitive with Korea, Taiwan, Japan, Mainland China, or any of these countries, well, that is drawing a rather long bow. I am not quite certain how they are going to get up to $3.00 an hour salaries and other such fringes. Let us wait and see.

Mr. Bruck was asked further if he did not think that the real problems of that portion of our textile and clothing industry which face the greatest competition

from countries in the far East originated from the industry in Canada not being as technologically advanced as its foreign competitors. Again, I think it is most revealing to quote to hon. members the reply which Mr. Bruck made on this particular point. Mr. Speaker, he said, and I quote:

> I disagree completely with that view. I think our industry is well up. We are keeping up with the technological advances. It is possible that our industry does not have everything the next fellow wants at all times. This can never be. No country in the world can provide everything, and in that context, as Mr. Armstrong said, we do not expect to have the entire Canadian market. We have 50 per cent now. Perhaps if we had 60 to 65 per cent we would have come a long way. So from the point of view of not keeping up, we say this is completely wrong, we are right there.

I think that I am summarizing the essence of the witness's testimony when I say that, in fact, he admitted that the section of the Canadian textile and clothing industry which specializes in cotton goods can never, in the foreseeable future, become competitive with goods produced abroad. Notwithstanding this admission, he still feels that the industry should be entitled to some 60 or 65 per cent of the Canadian market in these products. While that viewpoint is to some degree understandable coming from the industry, I do not think it is at all understandable or justifiable when we relate it to the broad and vast interests of the Canadian public as a whole. I think we need to remind the industry, that it exists to serve the needs of the Canadian people and not the reverse. If an industry is not competitive and has few prospects for becoming competitive, and if similar products can be imported from abroad at a price which allows low income Canadian families in particular to benefit from the import, then I think we have a compelling obligation to see that the interests of the greatest number of people are protected.

I simply do not see the purpose of using tariffs or import licences to protect an industry which can never become competitive. I think the history of tariffs or other similar restrictive devices has shown that once erected, they are seldom torn down. Moreover, the countries against whom they are erected usually respond by establishing their own tariffs against those commodities of which we are most productive.

Those hon. members who have followed recent trends in trading patterns cannot, I think, but become gravely concerned at what appears to be the very real possibility that an intense trading war may be developing between the United States and the European Economic Community on one hand, and the United States and Japan on the other. When one bears in mind the size of these trading blocks, and further remembers that Canada is not a member of any of them, it becomes readily apparent that we could be caught in the middle of a giant conflict, thus incurring all of the damage to which we would be subject in such a position.

At the outset of my speech, Mr. Speaker, I spoke of the manner in which the liberal mind distorts realities. The Minister of Industry, Trade and Commerce has stated that this bill has as its purpose the rationalization of the Canadian textile and clothing industries, or certain portions of them. I quite agree that the purpose of the bill is to rationalize certain matters, but what concerns me is that the rationalization which the bill may bring about will be the type of rationalization which will permit a number of uncompetitive segments of these industries in central Canada, namely Ontario and Quebec, to remain in existence, while the consumers of western Canada, that is those in the portions of Canada west and north of the boundary of Ontario, will have thrust upon them unnecessary costs through tariff structures to protect an industry which does not warrant protection.

In addition to western Canada, we must also remember those many Canadians in our Atlantic provinces who will also suffer increased costs for cotton imports and who are in an area of Canada not known for high wage rates. As the Minister of Industry, Trade and Commerce has stated on a number of occasions, his department conducted an exhaustive two year study of the Canadian textile and clothing industry as a prelude to drafting the present bill. I should think, as a result of that study, he and his senior officials would know quite clearly at this date that those segments of the textile and clothing industry in Canada which persist in attempting to compete with low cost imports from Japan and Taiwan, Mainland China and Korea, can never become competitive. If they are to remain in the Canadian market, their presence can only be maintained by Canadians having to pay an unreasonable and unjustifiably higher cost for their basic cotton goods than they otherwise would.

Western Canada has become increasingly successful in developing export markets with the Far East. While the bulk of our exports consist of primary industry products, their export is, nevertheless, a significant item in Canada's international balance of payments. In addition, these exports provide a broader and greatly needed economic base in western Canada from which we expect secondary industries will be developed. Western Canadians would naturally and rightly look with the utmost disfavour and concern upon any measures which might be adopted to protect at the possible expense of these markets, industries in central Canada which have for decades been the recipients of heavy tariffs and other protections, all of which have been borne with resentment by Canadians in our western provinces.

I strongly caution the government against passing legislation which will not in any significant way assist those segments of the Canadian textile and clothing industry which are experiencing extreme difficulties in remaining in their fields, and which at the same time will result in Canadians paying unnecessarily increased costs for many textile imports. Not only will import licences restrict choice, but their great harm will be in the potential threat which they represent to some of our largest and best trading partners whose good will we should be cultivating rather than testing.

The real danger in this legislation is that it could so very easily be cited as a precedent by other Canadian industries experiencing difficulties similar to those of our textile and clothing industry which, in fairness, the government ought to extend to them. Are we then to see a proliferation of boards and acts similar to the present

legislation, each with the power to urge measures upon the Minister of Industry, Trade and Commerce which in their total could make us one of the most portectionist countries in the world, with obvious consequences for our exporters. With the difficulties which Canadian exporters are already experiencing, including those which have arisen from our floating—perhaps I should say bloating—Canadian dollar, the government should not be embarking on courses which could well set off anticipatory reactions amongst our trading partners, particularly in the Pacific area.

• (3:10 p.m.)

Much has been said in our country, Mr. Speaker, in these past, uncertain months about the need to foster Canadian unity. We in western Canada cannot be unified with central Canada if we are to be separated by tariff walls. We have acted in good faith in understanding the needs of other parts of Canada and now we must insist that the same good faith be extended to our needs. If the government damages relations with our major trading partners through measures such as those proposed in the present bill, we can only conclude that western Canadian alienation from the Canadian union will be further enhanced.

Mr. Normal Cafik (Ontario): Mr. Speaker, in reviewing this bill for a brief moment, I want to say that I am fully in agreement with its intentions. I am a member of the Standing Committee on Finance, Trade and Economic Affairs of this House which reviewed this bill in considerable detail. I think that it skates the very difficult route between the interests of textile manufacturers and those of the consumers of textiles in Canada, and I think it does this very well. I think that through the establishment of the textile board, the bill will make it possible for action to be taken to rationalize the textile industry in the interest of both the consumers and the manufacturers.

One thing concerns me particularly at this moment and I hope in his concluding remarks that the minister will touch on the question of adjustment assistance for workers. Clause 21 of the bill almost parallels a similar legislative provision connected with the auto pact under which transitional assistance benefits are made available to people displaced as a result of the operation of the auto agreement. What concerns me is whether the decision of the textile board as to whether or not people are qualified for these benefits is subject to appeal. I know that in the case of the auto pact there are no such provisions within the act itself; and, indeed, there are no such provisions for appeal within the bill we are now considering.

I pursued this question in the Standing Committee on Finance, Trade and Economic Affairs. When I did so, the minister indicated that he would take my views into consideration and, in the House, indicate whether appeals would be allowed by trade unions or representatives of employees if new evidence was available to show that they should, in fact, be granted such eligibility. I hope that the minister will assure this House today that those groups will actually be given an opportunity to appeal decisions made by the textile board in connection with their eligibility. Provided that assurances are given that appeals will be heard if new evidence is available to indicate that they should be granted that eligibility, I would be quite prepared to support this bill enthusiastically.

Mr. John Burton (Regina East): Mr. Speaker, the members of the New Democratic Party supported this bill on second reading. Having seen the bill through the committee stage, we are now prepared to support the bill on third reading, despite some reservations which I shall attempt to set out in the course of my remarks.

Basically, we consider that this is a new step which represents an innovation on the Canadian scene in trying to find solutions to the problems that face the textile and clothing industry. We wish the government luck in its program, and we will be watching the actions of both the government and the board very closely as they attempt to grapple with the difficult problems facing this industry. While we have some reservations on some aspects of the bill, nevertheless we believe it represents a step forward in government policy. I think it should be noted here, as it has been during the committee hearings, that there is a possibility that, on the basis of the experience gained through the operations of this board, the principle involved may be extended to other fields of industrial activity in Canada. We hope that this proposal will be of assistance in finding a solution to the very difficult problems of the industry concerned. I think it should be noted that the government has a particular responsibility, in view of the very wide ranging policy considerations involved, to deal with the problems with which we are confronted in the textile and clothing field.

Of course, we shall have to deal with conflicting interests, and there are some difficult conflicts of interest to contend with as we attempt to find a sensible and reasonable solution to some of the problems before us. We must take into account the fact that we want to see a viable textile industry in Canada. On the other hand, we must also recognize that we trade with the rest of the world, and that Canada is greatly dependent on trade for the carrying on of its economic activities.

Some conflicts of interest have resulted in concerns which have been expressed, both on the floor of the House and during committee hearings. In particular, those concerns have been expressed by some hon. members who are involved with and concerned about the situation affecting western Canada. I speak as a member from western Canada. Concerns respecting questions of trade and respecting, particularly, agricultural products have been raised in the discussion on this bill. Most of these concerns arise with respect to the degree of protection which will be afforded to the textile and clothing industry as a result of the activities that will be carried on by the proposed textile and clothing board. Concerns and fears have been expressed as to how these will affect the economic interests of people in other parts of Canada. For instance, in western Canada people are concerned about

agricultural trade and agricultural exports. Thus, we see that this bill affects various sectors of the Canadian economy and we must give it careful consideration.

It seems to me that some of the concerns expressed from time to time have not been totally rational. I say this with the greatest of respect, at the same time noting that some of the concerns expressed are valid and should be taken into account. I believe, too that some of the concerns which have been expressed from time to time have been expressed in a way which I do not think reflects the degree of maturity that we require in Canada to deal with the various interests, concerns and conflicts with which we are faced.

Speaking as a member from western Canada I can say, as hon. members will be aware and as you, Sir, will be very much aware, that from time to time—many hon. members would say "on numerous occasions"—problems of western Canada have been brought before the House. These have involved everything from damp wheat and farm income to wheat sales, grain movements and so on. These constitute very real problems for us. I might say that while remarks about these problems were listened to with interest by members in some parts of the House, there was also a certain amount of reaction from members coming from other parts of Canada. They were very unhappy that some of us from western Canada had taken advantage of numerous occasions to raise some of these problems. I suggest that many of those members did a disservice to Canada and to Canadian unity by not giving proper recognition to the very real problems that some of us were attempting to raise.

• (3:20 p.m.)

In the bill under consideration, we are concerned about the problems of the textile and clothing industry. As has been noted, these are very real problems. The industry has had to contend with problems of low cost imports. These have had a very serious effect on employment in the industry. Some of the provisions of the bill, of course, have been drafted with this factor in mind.

My colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), will be dealing with some of the considerations involved in the assistance to workers which may result from any further dislocation to this industry. The fact is that this industry has faced serious disruption and serious problems. It is obvious that the industry must adjust. It requires time to make these adjustments, but nevertheless they must be made. In addition, further adjustments will be forthcoming.

Within the past few weeks there have been newspaper articles on new technological innovations in the textile field which will greatly cut down on the employment available in this industry. Very large amounts of investment will be required if Canadian firms are to keep up with international trends. It is obvious that the industry has responded, and we can expect a further response. Whether the response has always been adequate is another matter upon which I do not pass judgment at this particular time. We have a duty to respond positively to the situation which we face at the present time. In my view, a negative response would be a disservice to Canada, to the people who work in this industry, and to those companies associated with the activities of this industry. If there were no signs of response, legislation such as this probably could not be justified at the present time.

We must try to find a good balance with respect to our economic situation. We have to take into account the trading needs of Canada, and the fact that we must not only export but import as well. We have to take into account also the concerns of the industry in Canada, and the need to carry on industrial activity in this country. Reference has been made to some of the exchange problems which have developed. These remarks may not be completely consistent, because while the exchange problem has resulted in some very real problems in some sectors of the Canadian economy at this time it will, on the other hand, force some sectors of the Canadian economy to upgrade their standards of activity and productivity.

We consider this legislation to be a step forward. It is a useful innovation. As far as we are concerned, we are going to watch and judge the government on the basis of its actions. The minister made quite clear during the second reading stage and before the committee that the government must and will bear final responsibility for actions taken under this legislation. However, Mr. Speaker, there is one aspect of the structure involved in this bill which needs further consideration and development. I refer to the whole question of industry planning.

The minister made it quite clear that responsibility rests with the government. In my view, this is correct. The board is to be given a free hand in making its recommendations. This is also correct. I have no quarrel with this position. However, what is the framework within which the board must operate? The board really cannot make judgments unless it has some knowledge of industry plans, and the direction in which the industry is moving. Within what sort of a framework will the board be operating which will enable it to make sound judgments to pass on to the minister?

What is needed is an overview of the situation which will enable the board to make more rational and useful recommendations to the minister, on which he will then pass judgment. At the present time, the board is expected to react to proposals, plans and requests of the minister as well as other inquiries. It is entirely dependant upon requests for action. This is going to be the basis of its activities. As I understood the questioning that took place in the committee, there is no provision for consultation with the minister or the department while an inquiry is in progress. I want to make it clear that I do not suggest any restriction on the powers and freedom of the board to carry out its studies and prepare recommendations for the minister.

The government has not adopted the principle of planning which would enable an adequate job to be done. There is an element of "ad hoccery" in the bill as it is before us at the present time. There is no overview which would permit the problems of the industry to be

dealt with properly. When I questioned the minister and his officials before the committee, they stated that the Department of Industry, Trade and Commerce does carry on studies regarding trends in the industry. These studies are available to the minister when passing judgment on any recommendations made to him by the textile and clothing board. This is a perfectly valid form of analysis. Such an examination needs to be carried out to determine the trends in the industry and the direction in which things are moving so far as they can be foreseen. However, I suggest that is not adequate.

As I pointed out during committee hearings, it is quite correct that an analysis of trends is one part of the process of developing a plan for industry. If you are going to leave it at that and then decide whether proposals and plans submitted fit within this trend, then certain assumptions are involved. Trends usually develop because they best serve the over-all public or national interest. A further assessment of the public interest is required before you can decide whether a proposal or plan fits in with the trends. When I speak of planning, I want to make it clear that I am not speaking of any sort of imposed plan, any sort of a monolithic, bureaucratic type of plan. The type of planning that would be required in this industry would involve a combined effort on the part of the government, industry, workers and other people associated with the industry.

I acknowledge that there have been consultations. The government has held many consultations with people concerned with this industry, both in the preparation of this bill and in dealing with the problems that the industry has faced for a number of years. I suggest there may be a further development of this process before the board and the government will be fully equipped to deal with the problem in the best possible way. In trying to understand the exact nature of the board proposed in this bill, I suggested to the minister during the Committee hearings:

> Then, really what you are underlining, it would seem to me, Mr. Pepin, is that through this legislation you are establishing a framework for future policy development in that—

The minister then interrupted me by saying:

> I have said that.

I find the minister's words are always much more complex than that when he speaks on these subjects. I continue to quote:

> —this does not necessarily influence the policy that will be developed in future years. It simply establishes a structural framework within which policy is developed.

The minister indicated that was essentially the case. Later on, I said:

> You are really going to leave it to the Board to make its own studies of the problems that exist, to assess the conflicting interests—and make their own assessment of the situation to develop their own criteria and to make their own judgments, which they then pass on to you—and upon which, then, you have to pass judgments.

● (3:30 p.m.)

"You" being the minister in this case. This deals with one aspect of the matter, but again it is clear that a complete framework for dealing with all these problems is lacking. The proposals contained in the bill before us amount to a step forward but they are still incomplete in this respect. I questioned the minister about this aspect on a number of other occasions during the committee hearings.

The issue of protectionism has been raised during the debate in this House as well as during the committee hearings. Is the board contemplated in the legislation to be simply a protectionist vehicle? The minister did deal with this matter at one point during the committee hearings. In answer to a question by myself, he said:

> Will the Board be a protectionist one? Will it be the opposite of whatever a protectionist one would be? I really do not know. I suggest that we have appointed good members. We have given them the kind of task, the kind of definitions that are really motherhood before the Women's Liberation movement, and they have to bear in mind the interests of consumers, the interests of importers, the interests of exporters, the international situation, everything. That is what you wanted us to do is it not? Now they are going to come out with suggestions or recommendations to the government, and the government will have to make up its mind. Then, from that series of decisions, you will be in a position to judge whether the government is protectionist or not.

I thank the minister very much for setting out this situation so clearly in order that we might have a proper understanding of the functions of this board. Of course, we are very much concerned that there should be no greater degree of protectionism than may be necessary. I understood the minister to say, in answer to one of the questions I put to him, that it was quite possible some tariffs would be raised as a result of recommendations from this board and that other tariffs might be lowered. We want to see restrictions on trade removed as far as possible within the context of developing the Canadian economy on a rational basis. We should keep our relations with the developing countries constantly in mind, particularly since a good deal of the competition in this field is coming from those nations. The minister referred to this point, too, during the committee hearings.

It is necessary to take conflicting interests into account, to determine in which direction the industry is moving and the kind of industry we desire to see established in Canada. Here is an area in which more answers from the minister are needed. The hon. gentleman told us during the committee hearings that he really did not know. I cannot blame him for giving such an answer; some things cannot be forecast, though, as the result of events over the past two or three years in particular, the department has a good idea as to the likely trend of affairs. Above all, we must seek to reconcile the conflicting interests which arise when dealing with these questions. We must encourage and foster trade with all parts of the world. This is critical for us in Canada, and especially for some of us in western Canada.

On the other hand, when we are concerned with the affairs of an industry which employs some 200,000 people directly, as well as providing indirect employment for many more, this becomes a matter which cannot be treated lightly. It is for this reason that we are prepared to support the bill. We wish the government well. We shall watch its actions, we shall question its actions and

we shall judge on the basis of the decisions which are made. We shall certainly wish to examine from time to time the programs which are instituted as a result of these proposals in order that we may properly take into account the various interests with which I have attempted to deal this afternoon. On this basis, we are prepared to support third reading of the bill.

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, I should like to point out the importance of this bill without however taking up too much of the time of the House.

I believe the bill to establish a textile and clothing board will certainly help solve some of the problems now confronting textile and clothing manufacturers, especially with regard to the marketing of their products.

The industry in general and the representatives of labour unions have welcomed this bill whose purpose is neither to help the textile industry financially nor to grant it the monopoly of the Canadian market, but rather to organize meetings with the representatives of the industry and find out what the real problems are.

I feel that the real purpose of the board will be to advise the government with regard to imports, especially when these tend to flood the market with low-cost products, or to lead to practices for avoiding duty and excise tax.

Although that board must not be endowed with absolute powers, I would hope that further to serious investigations, corrective measures could be brought about in order to improve the situation which we have known for some years.

The textile industry in Canada is one of the most important with respect to production, employment and investment in that sector of the industry. It would therefore be unthinkable that a country like Canada be deprived of an industry such as textiles, an industry with a high productivity, centered on investment and technology and one like which all modern countries would like to have.

In any modern country, consumption of textile products is an indication of the standard of living of the people and of the extent of the industrialization of its economy.

• (3:40 p.m.)

Canada is a country where consumption of clothing as well as household textile products of all kinds is very high. Prosperous countries are highly industrialized. That is why they use also large quantities of packing material, bags, insulating products, transmission belts, tire canvas, upholstering for automobiles and a number of other special industrial products which the textile industry can provide.

Textile products are essential in the life of a modern people. It is not surprising, therefore, that Canadians are among the largest users of textile products in the world.

In Canada, textile products purchased in a year average more than 33 pounds per capita. These products are made up of natural and synthetic fibres; about 40 per cent are used for clothing; about 31 per cent for industrial products; and 29 per cent for household articles. Second to the United States, Canada has the largest average consumption of textile products in the world.

For the Canadian people, the main and most reliable source of textile products, remains its national industry which produces clothing, knitted goods and a large number of household and industrial products. The latter are generally used to supply material to other industrial sectors for further processing.

Canadian textile factories are located in the industrial areas of Quebec and Ontario, close to the market, but the industry is nevertheless spread out from coast to coast, and more than 80,000 Canadians, or 6 per cent of the total labour force in the manufacturing sector, earn their living in the manufacturing of textile products.

According to an economic study, each job in the manufacturing sector creates work for 1.17 persons more in the sectors of supplies, services, maintenance, repairs, etc. So, the textile industry provides jobs for close to 175,000 workers, who, in turn, support families representing over half a million people. The best conditions for efficiency in the textile industry do not necessarily imply large production units. However, a large part of the total textile production in Canada is concentrated in order to allow a maximum scale of production under the present conditions of the Canadian market.

The annual production in Canada exceeds $1.8 billion, which shows the importance of the Canadian textile industry which no longer has to prove the top quality of its production. This industry, as well as the ready-to-wear industry, is endowed with a technology as advanced and as efficient as in any other country in the world. The Canadian section of the National Industrial Conference Board stated, and I quote:

> This is a sophisticated and progressive industry whose technical efficiency leaves nothing to be desired compared with similar industries in North America, meaning the whole world. Its management is enlightened, the quality of its products is superior and its prices are maintained at a very low level, taking into account the salary scale in North America and the special demands of the Canadian market.

The enormous investments made by the manufacturers of textile products demonstrate the willingness of the industry to remain always ahead of progress. Presently, and for the last twelve years, the textile industry has spent about $100 million per year to renew its machinery and equipment.

Not only is the computer more and more widely used in production control, but the Canadian textile industry owns some pieces of equipment found nowhere else in America.

This concern for up-to-dateness obviously gave tangible results. The rate of production has increased faster in the textile field than in most other industrial sectors in Canada, by about 6 per cent, for a good number of years.

Canadian textile mills sell around 90 per cent of their production on domestic markets; this is why we should try to protect part of those domestic markets for

Canadian manufacturers. However, on account of the very great variety of materials, designs, patterns and finishes, let alone the requirements created by marked variations in the climate, the industry cannot easily resort to mass production, which would allow for a still greater decrease in prices.

Consequently, Canadian producers have to face very strong competition on foreign markets, in the United States as well as in Europe and in Asia, where big industries, because of the huge population and of the lower standard of living, or because of both factors, enjoy many economic advantages and corner practically the whole of their domestic markets.

The Canadian market is different. In this country, industry must continually fight, and it has been doing so for many years, to get each dollar of sales. Mass-production and low costs, which are assets to big foreign producers at home, are also a big help to them on our domestic markets.

As a result, Canadian textiles have to face hard competition from imported items. For instance, out of the 800 million-odd yards of cotton, wool and synthetic textile items that the Canadian people consume yearly, the proportion supplied by Canadian factories represents less than 60 per cent.

For several years, manufacturing has been a most desirable activity for Canada by reason of its high productivity and of its marked technological trends. In recent years, the annual value added per worker, in Canada, has been more than $13,000 compared with approximately $7,000 for the whole Canadian industry. Several other countries see in it an ideal way to use their resources, so as to create maximum economic growth. The world capacity for manufacturing synthetic goods has increased by more than 60 per cent over the past 10 years and it is anticipated that this growth will accelerate again in the future.

Technological development has been speeding up and showing itself in the improvement of the quality of products, and the rate of appearance of new products on the market is increasingly accelerating. The producer who would choose to offer a product of a quality and type similar to those of two or more years ago, would disappear.

In the area of man-made fibers, as in many other industrial sectors largely dependent upon investment and technology, the average unit production costs decrease in relation to the production volume. Therefore, other factors being equal, the manufacturers whose production is the most important have the lowest unit costs. The bill now before us is specifically designed to protect low production costs industries with a fast turnover.

• (3:50 p.m.)

The volume of production is a function of the volume of demand. So it is logical to say that the production unit cost is a function of demand. Under present conditions, with a small domestic market, it is necessary to take protective measures for the Canadian textile industry.

Since 1952, Canada and other industrialized countries have reached agreements to expand their textile imports from developing countries. For the last 20 years or so, we have assisted these countries in many ways either by extending loans to organize their industry or by allowing them to acquire machinery from us. This is not a reason to put aside our own industry which is now feeling the bite of cheap imports from these countries which we have assisted for some twenty years.

Before concluding my remarks, I wish to stress that the board's main duty will be to supervise and advise the government on the risks that textile and clothing imports present for the various sectors of our industry. I think the bill before us is a reasonable measure for the contracting parties to the agreements reached since 1952 and that it is a desirable step for the Canadian textile industry whose share in the domestic market has been continuously declining for ten years.

I wish other measures of that kind will complete the work already begun by the Textile and Clothing Board that already started to operate four months ago.

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I already had the opportunity on many occasions of expressing my opinion as to the measure before us now and of dealing with the textile and clothing industry, so this afternoon, in order to hasten the passage of that measure, I will make only a few remarks.

Since I was closely associated with the textile industry for many years before becoming a member of Parliament and that many of my fellow citizens are unemployed at the present time, on account of the government's lack of foresight, I avail myself of this opportunity to express once more my dissatisfaction and direct reproaches to the authorities concerned.

But I will not elaborate because I think that the government took long enough to recognize the disastrous situation of the textile industry. In fact, the government is responsible for the loss of markets and jobs. There is no need to recall the past. I would rather share the enthusiasm shown by the Minister of Industry, Trade and Commerce (Mr. Pepin) about the results of the Textile and Clothing Board and assure him that we shall not oppose this legislation. Certainly our views may differ but, generally speaking, we shall give the minister all the support we can.

Let us not forget that the current situation of the textile industry is due to imports. The minister himself is convinced of this since he introduced last year specific measures to protect the jobs of certain workers in the shirt industry. But once again, these measures were taken too late and the workers were the most affected.

I hope that the minister, in co-operation with other departments, will do his best so that the workers who have already spent several years in the textile industry will get their jobs back. I dare hope that the minister, who knows this industry very well, since he is from a city where the textile industry is a major activity, will give this problem all the attention it requires. If it is possible to find new jobs for the workers who have devoted most of their life to the textile industry, the minister will have deserved our admiration and our gratitude.

I believe that there should also be full co-operation between the various departments. Now, I wonder whether there really exists the necessary co-operation that would ensure planning in the textile industry and other industries.

While skimming through the report of the Department of Regional Economic Expansion for the period from May 1970, I see that some ten new textile industries have been established in Canada with the help of grants from the Department of Regional Economic Expansion. I am asking myself whether it would not have been better to provide a little more planning and to transfer those grants, if possible, to industries already in existence. It is somewhat difficult to make workers who have just lost their jobs understand that the government is providing a grant amounting to thousands of dollars to some textile industry in India through the liberality of the Department of Regional Economic Expansion.

The House will no doubt be interested in learning that the grants to new industries for the period from May 1970 to March 1971 amounted to over $2 million.

Our taxpayers will not admit easily that part of their tax money should go through grants to foreign companies in order that they may settle here. Mentioning this state of affairs to the minister will surely bring about more co-operation between the various departments.

Insofar as all the representations made by the leaders and the workers of the textile industry are concerned, it must be noted that the Canadian textile industry does not want nor has it ever requested assistance or charity. That industry simply wishes to be assured of at least 70 per cent of the Canadian market. In my opinion, that is a reasonable request which the Minister of Industry, Trade and Commerce could grant. It may be that in some quarters people will maintain that it is a protectionist measure. I would like to reassure those who tend to see excessive protection in this measure and to remind them that what is good for one part of the country is also good for other parts.

Were we to examine whatever the government does in different areas of the country, I think that some of my colleagues who live outside Ontario and Quebec could find ample reasons to take exception if they were looking at the government actions the same way we do.

In closing, Mr. Speaker, I would like to assure the minister that even if we do not share all his enthusiasm, we want him to succeed, because on his success hangs the welfare of many workers and industries.

• (4:00 p.m.)

[*English*]

Mr. Max Saltsman (Waterloo): Mr. Speaker, in looking over boards I have known, it seems to me there are generally two reasons for establishing boards or two categories into which boards fall. In one category, the board becomes the captive of the industry itself. Instead of regulating the industry, the board becomes the instrument of the industry. The other kind of board, which also is very common in the country whether municipally, provincially or federally, is the type of board which is used by a government as a means of putting off the making of political judgments and as a means of avoiding political responsibilities. I think the bill we are now debating in respect of setting up the textile board is really an indication of that kind of policy. My colleague, the hon. member for Regina East (Mr. Burton) has indicated our support for the measure. We support it because we believe it is an improvement over the complete lack of thought which has prevailed and, therefore, even a board is more acceptable than the vacuum which has existed up until the present time in the field of textile policy.

I believe we should make very clear that if we had had a government which had a policy, which was prepared to implement a program and which had given some thought about planning the direction of this industry, we would not be faced with the necessity of having a textile board. We are to have this board. We have heard two conflicting views concerning what this board will do. Some hon. members look upon this board as a protectionist device to protect the textile industry and provide additional aid to the industry. It has some of those characteristics. Other members are fearful that the board's existence will lead to the phasing out of the textile industry. Again, there may be some validity to certain aspects of this kind of comment. I think the minister's statement to which my colleague from Regina East referred is the most honest. The board will be neither of these things but will look at each case, make recommendations, and from these recommendations a policy will be developed. It is a framework of a kind. The Board is not there to do one thing or the other, but to provide a framework for policy decisions.

Whether in fact the policy will be successful, or whether we will have a textile policy, will ultimately depend on what kind of approach the government takes to the recommendations of the board. The great weakness as I see it of this general approach is that it depends on people in the textile industry finding themselves in trouble, responding to a crisis which arises one way or the other, and then having a resolution take place within the framework of the board. It would seem to me, and again I refer back to the remarks of my colleague the hon. member for Regina East, that what is needed is some kind of a government program for the textile industry. I see my hon. friend from Edmonton West is making faces whenever I speak of a framework or plan. I hate to see that handsome face so distorted.

In speaking for the people in the textile industry whom I know, I can say that to have some kind of planning take place in that industry would not be repugnant to them. Their futures are involved and planning is not a dirty word to them. They want some kind of framework in which they know their future will be assured. It is not a question of moving in with a heavy hand and clamping down on this or the other, but rather is a question of trying to get industry together with the government to discuss the bringing in of tax policies or incentive policies in order to provide a rational framework. I can almost anticipate what the charming Minister of Industry, Trade and Commerce (Mr. Pepin) would say to me.

He would say: Ah, that is very easy for you to say; have you ever tried to bring these people together? The minister would say it is not easy to bring them together. I agree.

In our Canadian society there are some very real problems involved in bringing people together, but I honestly question whether the philosophy of the minister's party is really conducive to making this kind of proposal to people in industry. I question whether a wholehearted effort has ever been made to bring people in the industry, people in the trade unions representing the workers in that industry, together to work out a framework and, if necessary, a program of incentives and perhaps even of penalties or a combination of both, in order to effect a rationalization of this industry. So, while all of us in this House really do not have any choice but to support what we see as an experiment or an attempt to deal with the problems in the industry, we will not be in a position to judge what is being done until some time has elapsed when we can see the outlines of the government's policy.

My reason for rising today to make this intervention is the speech made by the hon. member for Dauphin (Mr. Ritchie), a member for whom I personally have a very high regard. I was rather surprised by the touch of bitterness in his voice when he spoke, as a western member, about protectionist policies which favour the east. He looked upon this bill as a protectionist bill which would tend to subsidize the textile industry. I do not really think anyone could come to that conclusion based on a reading of the bill. His statement, however, illustrates what has been a long and deep grievance between the western part of Canada and the central part of Canada. It is very difficult to say—and I suggest the hon. member for Dauphin consider this—whether in fact it is always the west which subsidizes the east or always the Maritimes which pays the price of central Canada's prosperity. At the moment, however, no part of the country is prosperous because of the government's policies.

• (4:10 p.m.)

There is a considerable degree of subsidization. Certainly, those of us who are from Ontario have never been, and I hope never will be, insensitive to the problems of Prairie farmers. We have never stood in the way of farm programs that would assist them when they were facing difficulties. I do not think any of us from Ontario have stood in the way of transfer payments to the Maritimes. We have supported those payments very strongly. The truth, of course, is that there does not seem to be any acceptable pattern through which the rewards in one part of the country are being shared with another part of the country. Historically from the beginning of this country, there has been this conflict between the primary producers, the provinces dependent on primary production, and the manufacturing sections of the country. Having listened to the speeches made today, we know that we are a long way from resolving this problem.

Since this problem must be resolved if we are to have an economic policy that will gain wide acceptance, the one thing that must be assured is that the benefits which accrue to any one part of Canada must be shared equally with the other parts of Canada. The day has long passed when one province can say, "because we have oil the major rewards from oil production must stay with us," or "because we have manufacturing, the major rewards from manufacturing must remain with us." We must develop a sharing program that is acceptable across the whole country. Until we do that, we will have the kind of recrimination that always arises whether it be over textile policies, tariff policies, or natural resource policies. If we are to have a rational, reasonable and intelligent development of industrial policy, that particular issue of sharing must be involved.

In an interview the other day the Minister of Communications (Mr. Kierans) made some scathing remarks about the effects of a pipeline through the Mackenzie valley on the manufacturing industry in central Canada, on our balance of payments, and on the Canadian dollar. But the people in Alberta and Saskatchewan may have different views. They may see the pipeline as of great assistance to their economies. They will be able to move more oil. There will be additional employment available in those provinces. But even if they agree with the minister they may say, "So what? Ontario has been living off the fat of the land; it is time we had our innings." These are understandable conflicts and we will not resolve them through this measure or in this debate.

I raise this matter because these kinds of bills are being debated out of the context of national policy, out of the context of the kind of society we want to see, out of the context of sharing between people and sharing between provinces. Until we have a clear statement of national policy from the government on what it is planning for the economy, it is difficult to see anything meaningful or important in the kind of measure that we have before us today.

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am pleased to say a few words on the bill before the House.

We set up a commission to study the problem of the Canadian textile industry. I recognize that the problem is serious and rather complex. I should like to say how much I admire the Minister of Trade, Industry and Commerce (Mr. Pepin) who worked untiringly in his endeavour to find solutions to the problem.

To solve the problem, he has recommended that a board be established to study the problems of production, distribution and especially exports and imports, to find out what may not be working properly.

If something is wrong in respect of imports, especially with dumping, the Board will have to prevent such abuses. However, all kinds of suggestions have been made, all kinds of statistics have been produced about textile products, but such a solution will never solve the problem.

The problem in the textile industry is the same as in any other industry, in any other segment of the economy. It is a Canadian problem as well as an international one. In the textile field as in many others, the experts should be seeking a real solution to the problem, one which

would tend to reduce textile prices. These prices are too high, therefore bringing about all kinds of consequences.

I suggest the Board should primarily consider the textile industry's main problem which is that of unduly high prices.

What causes high prices? As in any other field of industry, prices of Canadian products increase because of excise taxes, provincial taxes, municipal and school taxes, all of which are exorbitant. Finally, the financing of stocks by formula 88 again increases textile prices. That is what the Board the minister mentioned should get to work on. The government can certainly find a cheaper way of financing stocks. This increase in the price of textile products and other products is attributable to the 2 per cent monthly portion of the production which is allocated to inventories. Instead of decreasing the prices of products, all this contributes to increasing them and diminising the purchasing power of the Canadian people who are therefore unable to buy textile products. The problem of exorbitant prices is one that we should tackle.

The minister does not see any problem with production. I do not believe either that his officials find anything wrong with production for it is excellent. Experts should rather deal with the problem of distributing these products. We could consume 50 times as many Canadian textile goods as we are producing now. We buy textile products from other countries because they are 50 or 60 times cheaper than Canadian goods. It is not the fault of the Canadian producers, but of the economic system which increases prices through government and bank agencies of all kinds which control prices and board in part the profits of industrialists.

Therefore we support the board set up by the hon. minister. If something can be done, if it can find a solution to the problem, so much the better! But, how many such agencies, how many other boards in the industrial or commercial sectors have never solved the problem. I doubt that this Board will solve it because it will be concerned only with dumping and not with high prices, too heavy taxes, excise duties, etc. These contribute to maintaining high prices and also diminishing the production of our textile industries. The distribution system is to blame. If it could count on lower taxes, interest rates, and transportation costs, the textile industry would do so much better. Transportation is so expensive, because of too many taxes on trucks, on gas, on all sorts of other things. This contributes to the higher cost price of our textile products, while in other countries, there are lower taxes on transport, on building materials and lower excise duties. There are also many countries which have more beneficial customs tariffs.

I ask the minister to instruct the Board to adjust prices through grants if necessary. If the government must subsidize the textiles industry, let the Board study the possibility of granting subsidies to this industry so that it can lower its prices, adjust to the purchasing power of Canadians and sell in other countries at competitive prices. We shall achieve this only through the compensated discount that we could give on these products. As to the implementation of this compensated discount, it is merely a technical question. If the government would open its eyes and ears, and apply the real financial technique to finance what can be financed, to make financially possible everything that is physically feasible, we should see the result, and we should not have the abominable situation that now exists in the textile industry.

• (4:20 p.m.)

[*English*]

Mr. Paul Yewchuk (Athabasca): I shall not take up very much time, Mr. Speaker, but I should like to make a few comments about Bill C-215. The bill has a potential for effecting a much needed rationalization of various segments of our clothing and textile industry. In my opinion, it also has some potential for being a protectionist device behind which inefficient and outdated segments of the industry will lobby for further restrictive measures. In many instances this might lead to protection of industries which are not competitive or efficient enough to be worthy of survival.

Mr. Pepin: Do you know the industry well?

Mr. Yewchuk: Mr. Speaker, let me point out to the minister that I am not opposing the bill. I just wish to make a few comments on behalf of the consumers of the country and point out some of the pitfalls facing us.

During the study of this bill, the Standing Committee on Finance, Trade and Economic Affairs heard from a number of knowledgeable witnesses who expressed concern over the ends toward which the provisions of this act could be used. One of these witnesses, Mr. Keith G. Dixon, Executive Vice-President, Canadian Importers Association, gave, in my view, a very reasonable summary of the reasons Canadian manufacturers ought not to be competing against overseas producers of low cost cotton goods. For the benefit of those members who were not as the committee's sitting when Mr. Dixon spoke, or who have not had an opportunity of reading the minutes of the committee, I would like to quote a small portion of his remarks. He said, and I am now quoting a portion of his remarks:

> One of the principles of international trade, as I think you will quickly agree, is that every country in the world tries to do that which it is best equipped to do and perhaps Canada is not ideally suited to make the complete range of textiles for a population of 21 million. We do not have any raw materials here at all in textiles. We have no cotton. We have no wool to speak of, we have about 3.5 million pounds of wool, and the synthetic operations are associated or closely directed by overseas companies. The only textile fibre we have in Canada of which we are a world producer, Mr. Chairman, is asbestos.

I am sure all hon. members would agree that the facts which he outlines, plus our wage rates in the textile and clothing industry which are the highest or second highest in the world, necessitate that our judgments and actions concerning the clothing and textile industry in Canada reflect the economic realities with which we are faced. This means that the industry must direct its resources and initiative into those areas where it is competitive in world markets. I fear that in too many of our commercial endeavours, and not just in the clothing and textile

industry, we have clung to the production of many items on sentimental or emotional grounds long after such operations have lost their economic justification.

Under clause 8 of this bill, a person who produces in Canada any textile and clothing goods, or a person or association acting on his behalf, may file a notice of complaint with the board alleging that the importation of the textile and clothing goods described in the notice is causing or threatening serious injury to his production in Canada of any textile and clothing goods. In essence, the board is being established to hear complaints from parties who allege, or even fear, injury from the importation of certain textiles or clothing items. I cannot help but think, Mr. Speaker, that it will be a relatively short time before the board becomes brain-washed into believing that most Canadian textile and clothing manufacturers are encountering serious challenges from overseas sources, and that the issuance of important licences is required in order to eliminate these challenges.

The textile and clothing producers appearing before the board may be able to strengthen their arguments by having their employees' representatives testify regarding the actual or alleged jeopardy in which their jobs are being placed. Being further mindful of the fact that in many of the towns or villages in Ontario and Quebec where textile and clothing companies are located they are the only or major employer, the board will be under extreme pressure to agree to the request for the issuance of an import licence. I am not suggesting that clothing and textile manufacturers and their employees should in any way be impeded in making their position or views known to the board. What does, however, concern me is the lack of regional balance amongst the membership of the board, and the lack of adequate provisions in the bill to ensure that the consumers' interests are going to be as vigorously represented as those of the manufacturers and unions.

• (4:30 p.m.)

The Minister of Industry, Trade and Commerce (Mr. Pepin) may believe that the provisions of clause 10 of the bill, whereby the board is required to publish in the Canada Gazette a notice of its intention to hold an inquiry, will afford to all interest parties an adequate opportunity to make representations. However, I think he would agree that while consumers are the largest single interested group in Canada, they are one of the least organized. Moreover, as the hon. member for Coast Chilcotin (Mr. St. Pierre) observed during a committee hearing, the Canada Gazette is such an obscure publication that the death of kings may be buried in it without one being the wiser.

The very limited extent to which Canadian consumers are organized was clearly brought out before the committee studying this bill when it heard representatives from the Consumers Association of Canada, the only nationally organized consumer group in Canada. The Association has 65,000 members and a professional staff of only five workers. When one considers the many other consumer interests which the association must serve, I think it becomes readily apparent that the Canadian consumer is going to be at an enormous disadvantage in presenting his case before the textile and clothing board in comparison with the industry and its employees, who in themselves number almost 200,000.

The Economic Council of Canada has documented rather dramatically what a high percentage of our population lives below the poverty line. In addition, hundred of thousands of our people live on net salaries which are not a great deal above the poverty line. My concern is that measures which serve to increase artificially and unnecessarily the costs of clothing items for people in these income brackets—and they are the ones who will be most affected by restrictions against inexpensive clothing from overseas—are directed against those people who are least able to afford increased costs and who are least able to make the kind of organized representations against increased costs that will be made in favour of them.

Perhaps even more fundamental to this whole issue than anything else is the question, "Why is a board necessary?" Why cannot the Minister of Industry, Trade and Commerce assist the rationalization of the industry from within the framework of his department instead of creating a new agency, which by his own admission will in any event be heavily dependent upon the human resources of his department? I have followed the debate and study of this bill as closely as any member, I think, yet I cannot see any clear, overriding advantage for the creation of a textile and clothing board, whereas I can see a number of distinct disadvantages against its formal creation.

The very existence of such a board cannot but raise fears that, starting with the textile industry, which is certainly not one of our weaker industries, Canada is embarking on preparations for restrictive trade barriers at the very time when there is so much uneasiness in international trade quarters that the European Common Market and the United States are headed for a trade war which could have the most drastic consequences for us if we become caught, as is likely, in a squeeze play between these two giant trading blocks. Owing to the indifference towards our traditional ties with Great Britain shown by successive Liberal governments, Canada can no longer expect that its markets in the United Kingdom will remain when the British government is finally accepted into the European Common Market. The United States and Japan are having serious difficulties in arriving at mutually acceptable positions regarding trade in clothing and textiles. With growing unemployment in Canada and the United States, it is easy for us to fall into the dangerous trap of hoping that by keeping out foreign competition we will ease the level of unemployment. I think that one does not need to look too far to see that overprotectionism can bring retaliation from other countries and may result in the possibility of the collapse of international trade as each nation seeks to protect itself more and more.

The presence of the board will help to encourage the opinion that a certain percentage of the Canadian market—it appears to be 60 per cent—belongs almost as a birthright to Canadian manufacturers. Indeed, this posi-

tion was put forward by the president of the Canadian Textile Institute when he appeared before the committee studying this bill. I think that such a proposition is the root cause of so many of the problems which our industries are facing. I do not believe that a guaranteed percentage of the market makes for a healthy economy in a free enterprise society.

Mr. Pepin: Neither do I, and I did not suggest that.

Mr. Yewchuk: In a recent article appearing on January 20, 1971, in the Winnipeg *Free Press*, this attitude was rather nicely summarized. May I quote from that summary appearing in the Winnipeg Free Press:

> It was once accepted that industry exists to serve the public. Has this now been reversed in the case of textiles? Do we, the captive consumers, exist to save the needs of industry and, to that end, must the market be rigged so that 60 per cent of our textile dollars flow to the domestic interests—

Mr. Pepin: That is not in the bill. Is the hon. member answering the hon. member for Saint-Hyacinthe (Mr. Ricard)?

Mr. Yewchuk: I listened with a good deal of interest to his speech, and that is why I said at the beginning that I was not objecting to this bill. I am merely pointing out what we ought to be thinking about from the consumer's point of view.

Mr. Pepin: But what the hon. member has just suggested is not in the bill.

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

Mr. Yewchuk: I hope, Mr. Speaker, that all hon. members will carefully weigh the comments I have made and the precedents which Bill C-215 will establish, if passed, which I have attempted to outline in the preceding comments.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when the Minister of Labour (Mr. Mackasey) appeared before one of our standing committees a few days ago, I went out of my way to commend him with respect to one portion of this bill, Bill C-215. I refer, of course, to the provision in the bill for enhanced unemployment insurance benefits or for preretirement benefits in the case of textile workers who are put out of their jobs as a result of government policy. My going out of my way to commend the Minister of Labour brought a reaction on his part. He went out of his way to make it clear that this provision is unique and applicable in this kind of situation only because this very bill could produce a situation which government policy might throw people out of work. He did not want me to read anything more into it.

In my intervention at this point, which will last for only a couple of minutes, I wish to repeat my commendation. I think the government is doing the right thing in providing for enhanced unemployment insurance benefits or for preretirement benefits when textile workers are thrown out of their employment. I should like to impress upon the government that this is a principle that ought to be extended. It is all right for the government to say that this is a special case. It is all right for the government to admit that in this instance government policy may cause unemployment. The fact is that many of those who are out of work in other areas, especially those of middle or older years, are out of work because of government policy, because of social policy, or because of conditions generally. I submit that this situation should not be regarded as unique. Instead, the government should boast of it as a precedent and as a principle that it should be prepared to follow.

I am also interested in the remarks attributed to the Prime Minister (Mr. Trudeau) in Niagara Falls over the weekend. He said that one of the solutions to our unemployment problem would be earlier retirement. If we are going to talk about earlier retirement, and if we are going to talk about people being forced out of work at ages such as 50 or 54, the ages mentioned in this context, it seems to me that we must move a great deal faster than we have been moving in the provision of adequate pensions at an earlier age. I welcome these few beginnings, especially the one that is before us in this piece of legislation. I noted with interest the plea made this afternoon by the hon. member for Ontario (Mr. Cafik) that if any textile workers are denied benefits to which they think they are entitled, there should be an appeal to the board or even beyond that board. The main point of my intervention, however, is to say that it is a good idea for the government to recognize that when people are out of work at age 50 or 55, the government has a special responsibility. I agree with the statement of the Prime Minister in this area which he made at Niagara Falls over the weekend. I urge that the government move a lot faster than it has been moving in the matter of providing for earlier retirement. But the only way to do this is to provide adequate pensions so that people can enjoy an earlier retirement, and that is the plea I make at this time.

• (4:40 p.m.)

The Acting Speaker (Mr. Richard): Order, please. If the minister speaks at this time, he should have the unanimous consent of the House, and close the debate. Is it agreed?

Some hon. Members: Agreed.

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, while I receive assurance from every part that there will be unanimous or almost unanimous endorsement of Bill C-215, it would be ungracious for me of course, to hinder speedy passage of this bill on third reading.

However, I feel strongly tempted to reply, point after point, to some hon. members who imagined all kinds of specters, werewolves and ghosts in order to try and frighten people about the implementation of this bill, and especially to answer some editorial writers who wrote about this bill "non rational" things, to use the term of the hon. member for Regina East (Mr. Burton). But I resist the temptation and wait for other circumstances.

At any rate, I have said almost all that I had to say about Bill C-215, either at the time of my statement on May 14 last, or on January 21, on second reading, or during the numerous sittings of the Standing Committee on Finance, Trade and Economic Affairs. I had the opportunity there to deal with the subject in detail and to raise almost all aspects of this textile and clothing policy.

My officials and I have described the situation obtaining in that industry, which is not as good as some hon. members—the hon. member for Athabasca (Mr. Yewchuk) in particular—would have us believe so that we do not do anything about it, nor as bad as some others state so that we give it up. Both in the House and before the committee, we have mentioned the many changes taking place in that industry, namely the greater part that fashion will play in it, the reduced cost of labour as technology and equipment are developed, changes which, by the way, will be of advantage to our producers.

We have of course dealt with the problems resulting from imports from countries with low production costs and from the important sales that these countries are already achieving in Canada, as evidenced by the high degree of penetration of their products on the domestic market. We have seen, in committee, how the other industrialized countries deal with problems arising from exports, and I feel that we have clearly shown that Canada's attitude had been most conciliatory and constructive toward developing countries.

I have also described the new policy as global, with some commercial, industrial, financial, social, and even aesthetic aspects. I have indicated the general direction of this policy, that is rationalization and concentration in certain areas identified as viable, so as, indeed, to be able to avoid a protectionist attitude.

I explained the membership and the work of the Clothing and Textile Board, as well as the criteria on which it will base its judgments. Of course, I cannot go over all that. But I would have expected the hon. members and the editorial writers who condemned the policy, sometimes irrevocably, to have been better informed. But in this case, I think we were facing prejudices of which, as the author said, "reason knows nothing".

However, I must point out that few well informed members are against the bill. We mostly disagree about the principle underlying the implementation of the bill, some fearing that the Board and the government might be too protectionist, others that they might be too liberal.

Besides, may I say in passing, that some critics, from the opposition for instance, have managed to condemn the textile policy as too protectionist while in the same breath asking for more protectionism in the sector of industry or agriculture that means more to them or to their area.

If a logician were to study some of the speeches made in this House on the occasion of this bill, he would surely split his sides with laughing for several days. In either case, some members and editors argued on the basis of their own prejudices for, as I have said repeatedly, this bill does not reflect any prejudices: it merely enumerates what factors should be taken into consideration. At most, this bill gives an orientation, that of rationalizing around the viable sectors. The sole purpose of this bill—and some members, of whom those from Regina East and from Waterloo, recognized it, and I thank them for it—is to create a framework, to provide an instrument for decision-making and means to implement decisions.

The whole thing is so well balanced, to my mind, and several others agree, that some industrialists are now using this policy to justify their closing down certain plants, while some members and commentators are accusing the government of taking protectionist measures.

In my opinion, both accusations are contradictory, it being impossible for both of them to be true. It seems to me indeed that some closings of plants now taking place can very well be explained by referring to the substance of this bill. If so, the bill cannot be protectionist. Life always offers some contradictions, and I agree, but sometimes there are contradictions which simply cannot be accepted.

[*English*]

There has been a lot of talk about free trade, Mr. Speaker.

Some hon. Members: Carried.

Mr. Pepin: May I ask for the indulgence of the House? I have been silent for days! These are my 10 minutes.

There has been a lot of talk about free trade in this debate. Everyone, inside and outside this House, is in favour of freer trade, especially when someone else is involved. If one reads the presentations made to the Canadian government by national institutions, from the Canadian Federation of Labour to the Canadian Labour Congress, he will realize that everyone in Canada is in favour of freer trade. However, if he reads the paragraphs that follow that statement, he will see that free trade is usually qualified by words such as "as much as possible". Free trade, protectionism and other concepts are usually found in their purest form in textbooks of sociology, economics or political science. I hardly need to say, though, that the art of the possible is the only reality. As the hon. member for Regina East (Mr. Burton) said, in practice it is a question of finding the right balance, the right mix. Intelligent men discuss the mix, the balance, not the absolute.

• (4:50 p.m.)

May I answer briefly some of the questions which have been raised? The hon. member for Ontario (Mr. Cafik) asked me whether it would be possible for the Board to review decisions with respect to the certification of special benefits for workers should new situations arise or new circumstances become known. Well, if new circumstances come to light, the board will surely be prepared to look at the situation again. If it were not, the minister could direct the board to do so.

I shall not deal at length with the treatises on planning given us this afternoon by the hon. member for Regina East and the hon. member for Waterloo (Mr. Saltsman); there will be occasions to do that in a more intimate way. It is true this bill does not provide a complete framework

for planning, and one of the reasons is that we have no power to tell the industry what to do, to force it to do this or that.

We can advise, we can recommend, we can suggest, we can incite, we can push, but that is about all; we cannot make the decisions for businessmen. Then again, even in countries where decisions can be made by the government for industry, planning is not always a total success. The plans which the industry will have to present to the board will be wide in scope and will in some measure constitute a degree of planning. In making recommendations, the board will in fact have a good idea of what is happening in any particular sector of the industry concerned. I might add that the department of Industry, Trade and Commerce, will also be involved in more "active" planning.

[*Translation*]

The hon. member for Saint-Hyacinthe (Mr. Ricard) has asked me if assistance benefits would be paid to workers. I want to assure him that it will be so, as the Board already has some requests and is getting ready to reach a decision. But as the member knows, there are all sorts of conditions to be fulfilled. Everyone will agree that this part of the bill is especially modern and valid from a social point of view.

The advice that hon. members have given us about the co-ordination between various departments are of course accepted.

[*English*]

The hon. member for Winnipeg North Centre (Mr. Knowles) talked about the principle of pre-retirement benefits and spoke persuasively in its support. Obviously, we agree with him. He suggested that principle should be extended to other sectors of industry. He might have suggested further extension to the workers in the fishing industry and the agriculture industry. I agree with him. It would be nice to be able to do so. But if we multiply family allowances, if we double the amount of the old age pension, triple social assistance benefits and what-not, "the cow may run dry". I refer to an old saying in French, l'État est une vache que tous ont le droit de traire mais que personne n'a l'obligation de nourrire.

Motion agreed to, bill read the third time and passed.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Winnipeg North Centre (Mr. Knowles)—House of Commons—continuation of Speaker in position following next election—suggested discussion by party or House leaders; the hon. member for Abitibi (Mr. Laprise)—Social Security—Quebec—alleged takeover by government of guaranteed income supplement; the hon. member for Vegreville (Mr. Mazankowski)—Indian Affairs—National Parks—Elk Island—animal starvation—failure of wildlife service to direct reduction in elk population commensurate with feed supplies.

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

Mr. Knowles (Winnipeg North Centre): You are not up to date.

Mr. Jerome: On a point of order, Mr. Speaker. I can report to Your Honour that there have been some discussions and there seems to be unanimous accord to dispense with the private members' hour today and to proceed forthwith to consideration of the young offenders' bill.

GOVERNMENT ORDERS

YOUNG OFFENDERS ACT

PROVISIONS REGARDING CHILDREN AND YOUNG PERSONS

The House resumed, from Wednesday, March 24, consideration of the motion of Mr. Goyer that Bill C-192, respecting young offenders and to repeal the Juvenile Delinquents Act, be read a second time and referred to the Standing Committee on Justice and Legal Affairs, and the amendment thereto of Mr. Gilbert (p. 4577).

Mr. Robert McCleave (Halifax-East Hants): There is probably a disposition to have one vote on this motion, or two votes, the second one on the second reading, a little later on today. My speech will at least represent the final offering from the official opposition at this stage. I shall be as brief as I can but I should like to put six or seven points on record, points which I believe will have to be considered in the Committee on Justice and Legal Affairs.

First, I accept the philosophy expressed in an earlier motion by the hon. member for Calgary North Mr. (Woolliams) and, for essentially the same reasons as were given then, I shall be supporting the motion now before us in the name of the hon. member for Broadview (Mr. Gilbert). It is comforting to us on this side to recall that in the course of his contribution to the debate, the hon. member for Welland (Mr. Tolmie), who is the chairman of the Committee on Justice and Legal Affairs, gave us an indication that he would like to see the widest possible discussion take place when this bill reaches his committee. I agree that this should be the case, because we who are members of that committee are being inundated by floods of correspondence from all over Canada concerning the young offenders act. These expressions of opinion should be well-scouted before we can report such a measure back to the House.

Before I get to the five or six specific points I have in mind, may I say this? The minister should consider himself fortunate that he is a new minister. If this measure had been placed before us in its present form by a

minister who had been in office for a longer period, the debate would probably be going on a lot longer. But we desire to accommodate him and there is at least some indication that he will approach this subject with a flexible mind, perhaps because he inherited somebody else's problems and is not particularly wedded to the approach taken by that other person. Time will have to tell. I do not ask the minister to comment on this; we are giving a young minister the benefit of the doubt and we know that at least he will be co-operative.

The last message I, personally, received on this subject was from the United Community Services of the Greater Vancouver area. Speaking through their president, the Reverend R. A. Burrows, they sent to the Solicitor General and to the Chairman of the standing committee a request that the United Community Services, which shares the concern of many organizations that the young offenders act requires careful study and reconsideration, will have the opportunity to present its views to the committee, along with other groups.

Now, to proceed to some of the others. The first is from Professor B. F. Frost, head of the division of clinical diagnosis and special education, faculty of education at the University of Calgary. If I may quote from his submission in two particulars only, both of which are found on page 2, he says:

• (5:00 p.m.)

> The act has been developed in a vacuum because the system of articulated rehabilitation agencies, necessary for the act to function, does not exist—
>
> In respect of rehabilitation, there is no evidence in the act nor in the very day functioning of the provincial authorities that anything has been learned from the experience of the U.K., Holland and Sweden who are the acknowledged leaders in the field of the rehabilitation of juvenile delinquents. Study of the relevant laws of these countries as well as their institutions is mandatory if a reasonable system is to be established here.

So, right off the bat, we have two criticisms, criticisms that are repeated by other sources as well, one as to the quality of the law we are being asked to consider and the other as to the quality of the institutions in Canada that are available to help young people caught in the coils of the law.

Then, Professor H. R. S. Ryan of the faculty of law of Queen's University has this to say:

> It is respectfully submitted that Canada should not return to a system of juvenile criminality which proved unsatisfactory in the past here and which the British have now abandoned. Instead, juvenile misconduct should be regarded as creating welfare and educational problems and dealt with on that basis.

That brings up a point that is echoed and re-echoed in the material we have received, namely that you must consider the child as a total person, against his family background and the background of society, and not treat him, as it were, in a vacuum.

Then, we have this paragraph from Mr. R. Couchman, chairman of the Troubled Child Committee of the Ontario Educational Association, who wrote the minister and sent copies of his letter to the rest of us:

> —I would certainly hope that child welfare legislation and legislation affecting the delinquent child would complement the positive approach being developed by Canadian educators. Unfortunately the proposed legislation shows little regard for the therapeutic requirements that must be built into such modern legal legislation.

So there is the view of a person in the educational field who sees the child in the total picture, and more particularly in the educational picture.

Then, we have Professor Ronald R. Price, of the faculty of law of Queen's University, who in his letter to us makes the criticism that the government of Canada was careful to consult with provincial governments as such, but that many of the provincial governments took a very narrow approach to consultation in preparing their own position and submissions. He says that many interested groups in a number of the provinces were not consulted at all by their own provincial government, and are very anxious to have an opportunity to make their views known.

I am about half way through the quotations I have decided to put on the record so that the minister and his officials can look at them over the Easter season and get some indication of the matters that bother some members of the committee.

Again, I have the views of Professor Frost, who makes this point:

> Serious crimes against the person (e.g. murder, manslaughter, rape, etc.) committed by a young person of 16 years or older should be dealt with separately from other "offences". In this case, and in this case only, should the case be tried in adult court with the possibility that the adult court might refer the case to a juvenile and family court.
>
> In all other cases the maximum age limit should be 18 years for both sexes.

Many of the submissions we received dealt with this very thorny problem of age, but I do not think at this stage of our proceedings, without having heard expert evidence in committee, it would be very helpful to scout that argument over and over again. But at least the paragraph I have just read into the record is one point that the members of the committee will want to follow up and be reassured about by the evidence; otherwise, we will want to make some changes in the provision regarding age.

A very significant contribution came to us from an assistant professor, John A. MacDonald, who I must say has a very good name. He is from the School of Social Work at the University of British Columbia and must have had a fair amount of legal training because his brief is peppered with legal references, though the gist of it really deals with the area of social welfare. At page 10 of his very thoughtful contribution he makes this point:

> The bill contains punitive provisions which would have the effect of stigmatizing juvenile offenders and undermining the traditional separation of juvenile from adult offenders. These provisions are for the most part not supported by the Justice Committee report and a number appear to have been inserted in response to pressure from provincial authorities.

This gentleman can bet his bottom dollar that we will be getting answers to that particular point to his satisfaction. He went on to quote at page 11 of his brief from the

Department of Justice committee report, referred to a moment ago, as follows:

> Long-term imprisonment has marked and detrimental effects on adults. Long-term confinement of youngsters may often be even more dangerous. We think that any rehabilitation of the juvenile that is likely to result from institutional commitment can be completed within the three-year period we suggest. If a juvenile is not reformed within three years by institutional experience, society should accept that risk unless it is prepared to allow youngsters to be held in what amounts to indefinite detention.

I think that recommendation by the Department of Justice committee was not easily arrived at. Probably the experts who dealt with that question gave it long and hard consideration before making up their minds on the approach that should be made. Reform the child within three years or take your chances with him, is really what they are saying. But the bill does not say that, and this is another reason that we on this side tend to treat the bill with some considerable suspicion. It is the reason we will want to have wholesale reform of the bill when it gets to committee.

My final quotation is from assistant professor K. Roy MacKenzie of the division of psychiatry, the University of Calgary School of Medicine, who takes particular objection to section 30(1)(k) and section 30(4), which contain, he says, the almost incomprehensible suggestion that the child be first sentenced as a child, and that the child then be subject to a renewed sentence when he reaches the age of 21. If Your Honour recalls the earlier debate, that point was made over and over again. How can you put a child into an institution for a few years when he knows his fate will not be decided until he is hauled into court as a young adult at the age of 21? This seemed to us to be absolutely monstrous, and something that is going to be scouted well and truly in committee.

To return to Professor MacKenzie's thoughtful comments, he makes this point:

> This completely ignores the fact that most childhood difficulties stem from the pressures surrounding the child and that very frequently the child is drastically changed by the time he reaches 21 and the particular action which led to his earlier incarceration may no longer be reasonably applicable.

I have placed on the record some quotations that outline, in as fair a way as I can devise, the problems that bother this particular Member of Parliament, and which I think also bother other Members of Parliament, with regard to the young offenders act. We also received thoughtful submissions from the Canadian Mental Health Association and the Canadian Bar Association, but these were pretty well dealt with on another occasion, so I shall not place them on the record at this particular time.

• (5:10 p.m.)

Finally, I would say that the treatment of the youngster who goes astray is a highly emotional matter. Sometimes it becomes a question of semantics whether you should fasten the appellation of offender or of criminal on that person. I know that some people are very excited and say that this bill is really a criminal code for children. I think it will be difficult to sort our way through the emotional issues that surround this subject, but knowing the calibre of the members of the committee and the fact that we are given the widest terms of reference possible, I know we will do our best. I hope we can come back with a bill which will be substantially altered, and which will do that committee and the House of Commons proud.

Division

The Acting Speaker (Mr. Richard): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Richard): The question is on the amendment. Those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Richard): Those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Richard): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Richard): Call in the members. The House divided on the amendment (Mr. Gilbert), which was negatived on the following division:

• (5:20 p.m.)

YEAS

Messrs:

Aiken
Alexander
Alkenbrack
Baldwin
Barnett
Beaudoin
Bell
Benjamin
Brewin
Burton
Cadieu
Coates
Code
Comeau
Dinsdale
Douglas
Downey
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Grills
Gundlock
Harding
Horner
Knowles (Winnipeg North Centre)
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Bellechasse)
Lambert (Edmonton West)
Laprise
La Salle
Latulippe
Lewis
Lundrigan
MacInnis (Cape Breton-East Richmond)
Macquarrie
MacRae
McCleave
McCutcheon
McGrath
McKinley
Mather
Mazankowski
Muir
Murta
Nesbitt
Noble
Nystrom
Paproski
Peters
Ricard
Ritchie
Rodrigue
Rondeau
Rose
Rowland
Ryan
Saltsman
Scott
Skoberg
Southam
Stanfield
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Winch
Yewchuk—72.

Division

NAYS

Messrs:

Allmand
Anderson
Andras
Barrett
Basford
Béchard
Beer
Blair
Blouin
Borrie
Boulanger
Buchanan
Caccia
Cafik
Chappell
Clermont
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Davis
Deachman
De Bané
Drury
Dubé
Dupras
Duquet
Émard
Faulkner
Forest
Forget
Francis
Gendron
Gervais
Gibson
Gillespie
Goyer
Gray
Greene
Guay (St. Boniface)
Guay (Lévis)
Haidasz
Harries
Hopkins
Jerome
Lachance
Laflamme
Laing
(Vancouver South)
Lang (Saskatoon-
Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Lessard (LaSalle)
Lessard
(Lac-Saint-Jean)
Lind
MacEachen
MacGuigan
McBride
McNulty
Mahoney
Major
Marceau
Morison
Noël
O'Connell
Otto
Pelletier
Penner
Pepin
Perrault
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Serré
Smerchanski
Smith
(Northumberland-
Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart
(Okanagan-Kootenay)
St. Pierre
Sulatycky
Thomas
(Maisonneuve-
Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Weatherhead
Whelan
Whicher
Whiting
Yanakis—106.

• (5:40 p.m.)

Mr. Speaker: I declare the amendment lost.

The House divided on the main motion (Mr. Goyer) which was agreed to on the following division:

YEAS

Messrs:

Allmand
Anderson
Andras
Barrett
Basford
Béchard
Beer
Blair
Blouin
Borrie
Boulanger
Buchanan
Caccia
Cafik
Chappell
Clermont
Comtois
Corbin
Corriveau
Côté (Richelieu)
Côté (Longueuil)
Crossman
Cullen
Cyr
Davis
Deachman
De Bané
Drury
Dubé
Dupras
Duquet
Émard
Faulkner
Forest
Forget
Francis
Gendron
Gervais
Gibson
Gillespie
Goode
Goyer
Gray
Greene
Guay (St. Boniface)
Guay (Lévis)
Haidasz
Harries
Hopkins
Jerome
Lachance
Laflamme
Laing
(Vancouver South)
Lang (Saskatoon-
Humboldt)
Langlois
Leblanc (Laurier)
LeBlanc (Rimouski)
Lefebvre
Lessard (LaSalle)
Lessard
(Lac-Saint-Jean)
Lind
MacEachen
MacGuigan
McBride
McNulty
Mahoney
Major
Marceau
Morison
Noël
O'Connell
Otto
Pelletier
Penner
Pepin
Perrault
Portelance
Pringle
Prud'homme
Reid
Richard
Richardson
Robinson
Rochon
Rock
Roy (Timmins)
Roy (Laval)
Serré
Smerchanski
Smith
(Northumberland-
Miramichi)
Smith (Saint-Jean)
Stafford
Stanbury
Stewart
(Okanagan-Kootenay)
St. Pierre
Sulatycky
Thomas
(Maisonneuve-
Rosemont)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Weatherhead
Whelan
Whicher
Whiting
Yanakis—107.

NAYS

Messrs:

Aiken
Alexander
Alkenbrack
Baldwin
Barnett
Beaudoin
Bell
Benjamin
Brewin
Burton
Cadieu
Coates
Code
Comeau
Dinsdale
Douglas
Downey
Fairweather
Flemming
Forrestall
Fortin
Gauthier
Gilbert
Gleave
Godin
Grills
Gundlock
Harding
Horner
Knowles (Winnipeg
North Centre)
Knowles (Norfolk-
Haldimand)
Korchinski
Lambert
(Bellechasse)
Lambert
(Edmonton West)
Laprise
La Salle

[The Acting Speaker (Mr. Richard).]

Messrs:

Latulippe	Peters
Lewis	Ricard
Lundrigan	Ritchie
MacInnis (Cape Breton-East Richmond)	Rodrigue
Macquarrie	Rondeau
MacRae	Rose
McCleave	Rowland
McCutcheon	Ryan
McGrath	Saltsman
McKinley	Scott
Mather	Skoberg
Mazankowski	Southam
Muir	Stanfield
Murta	Tétrault
Nesbitt	Thomas (Moncton)
Noble	Thompson (Red Deer)
Nystrom	Winch
Paproski	Yewchuk—72.

Bill read the second time and referred to the Standing Committee on Justice and Legal Affairs.

Some hon. Members: Six o'clock.

Mr. Speaker: Is it the wish of the House that the Chair call it six o'clock?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

CANADIAN WHEAT BOARD

ERROR IN FRENCH VERSION OF ANNUAL REPORT

Hon. Otto E. Lang (Minister of Manpower and Immigration): On a point of order, Mr. Speaker, if I might have permission to revert to motions I should like to inform the House about an error in the French version of the Canadian Wheat Board annual report which was tabled today.

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

[*Translation*]

Mr. Rondeau: In French!

Mr. Lambert (Edmonton West): In French!

[*English*]

Mr. Lang: I will have to hold on to that surprise for a little longer. I wish to inform the House that there is an error in the French version of the Wheat Board report. On page 5 it should read, "for the crop year ended July 31, 1970" and not, "for the crop year ended January 31, 1970." I apologize to the House for not having caught this error before the report was tabled. I, therefore, would like to table two corrected versions of the Canadian Wheat Board annual report in French.

Mr. McGrath: Since we have reverted to motions, Mr. Speaker, I ask consent of the House, under Standing Order 43, to table the report of the Atlantic Development Council released today.

Some hon. Members: Oh. oh!

Mr. Speaker: There is not unanimous consent. It being six o'clock I do now leave the chair. The House will resume at eight o'clock this evening.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed from Monday, April 5, consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Honey in the chair.

The Chairman: Order, please. When the committee rose last day, clause 14 of Bill C-207 was being considered.

On clause 14—*Establishment of Ministries of State.*

• (8:10 p.m.)

Mr. McGrath: Mr. Chairman, our opposition to this clause of the bill is based on very sound arguments and on the experience we have had with the government since the outset of this Parliament. We have the roster system which clearly contravenes Standing Order 5 of this House. With the roster system, certain members of the House are permitted not to be in their place to answer questions put to the government by the elected representatives of the people. A responsible government, Mr. Chairman, is supposed to be responsible to Parliament, which is responsible to the people. The roster system is a complete denial of that practice.

We now have a new provision and innovation creeping into our governmental system. By the whim of the Prime Minister we are to have new ministers of state, without Parliament having a chance to express itself on whatever the Prime Minister wanted, he could conceivably appoint a minister of state to preside over a ministry which would be responsible for an area of jurisdiction that could be totally repugnant to Parliament. This particular clause of the bill permits the government to do just that.

We wonder if the government is trying to adopt a version of the British cabinet system which has an inner and outer cabinet. I understand that ministers of state in Great Britain are not Privy Councillors; the ministers of state are junior cabinet ministers. Our ministers of state are to be full-fledged members of the cabinet and will preside over ministries to be designated by the Prime Minister, ministries on which Parliament will not have

an opportunity to express itself. That is what we find objectionable about this particular clause of the bill.

We object to the increasing use of discretionary power by this government. We object to this government increasingly bringing in statutes which give ministers discretionary power. In this particular case we are being asked to give the Prime Minister discretionary power to appoint at will whatever ministries suit his fancy. He will be able to appoint the faithful who support him in the Liberal caucus. That is why we object to this particular clause of the bill. We object to another aspect as well. Concomitant with the government's illegal roster system, another obnoxious practice is creeping into this House, one which totally defies the responsibility of the government being responsible to Parliament. I refer to the increasing practice of ministerial statements being made outside this House at a time when the House is sitting. This is clearly against our tradition and practice. In my judgment it is a violation of the rights of this House.

We are used to the government issuing press releases to get around the responsibilty of having to make statements on motions. I suppose that practice must be condoned because of the demands placed upon the government by modern, fast communication. But in no way can we condone the practice which is creeping into our system—that of ministers making full-fledged statements of policy outside the House while the House is sitting. In our view, that shows complete contempt for Parliament. We wonder what the future of this institution will be if this government remains in power. This institution which houses the representatives of the people is supposed to be a debating forum. It is supposed to be a forum where the representatives of the people have the opportunity to question ministers of the Crown and the government on their responsibilities.

By rules brought in by this government and railroaded through the House, we have been denied the right to withhold supply. The estimates have been taken out of this House. No longer can we withhold supply from the government. Tomorrow, Mr. Chairman, Parliament will adjourn for ten days. When we return we will have the main estimates to consider in most of the standing committees of this House. These committees will be meeting simultaneously with House sittings. They will be undermanned by members of the government and the opposition because we can only spread ourselves so thin. We will be faced with a bevy of experts who will back up ministers and their deputy ministers.

We are supposed to meaningfully examine the estimates of departments, but it is a futile process because we cannot change anything. According to the new rules, at a certain hour on a certain day, regardless of the position of the estimates in any committee of this House, they will be deemed to have been passed. That is the position in which we will find ourselves at the end of May. That is what the Standing Orders say.

Mr. Drury: You do not understand the rules.

Mr. McGrath: It happened every other year, and I suspect it will happen this year. The estimates of the Department of Fisheries and Forestry have not even been started. That standing committee is currently involved in examining a clean air bill. By the time we get to the main estimates of that department we will not have an opportunity properly to examine them. Notwithstanding the intervention of the President of the Treasury Board, at a certain hour on a certain day—I think May 20—all estimates will be deemed to have been passed.

We have lost the main power that Parliament once had. We have lost the traditional and long fought for right of Members of Parliament to withhold supply until satisfactory answers have been received from the government. Under the old rules, any member of this House could withhold supply if he had a particular grievance and was not satisfied with the way the government was handling the matter. We have now lost that right.

We are concerned about what is happening to this institution. We are concerned about the growth of the cabinet of this government, which has now reached record size. There are now almost 30 members of the cabinet. There are to be five additional members and perhaps as many parliamentary secretaries. We are arriving at a stage where the majority of the government will either be cabinet ministers or parliamentary secretaries. Therein lies the tale. Perhaps the government is having trouble with its members in caucus and that is why it is bringing in these innovations.

These are the matters which concern us, Mr. Chairman. These practices which the government is bringing in are having the effect of destroying the rights and privileges of this House. They are denying the concept of responsible government as we know it in this country. If the government is opting for a presidential system, why don't they openly say that this is what they have in mind and that they intend to bring it about by an evolutionary process, instead of doing it in this surreptitious manner? This is what the government is up to, I suspect.

I am particularly concerned about the release of important documents outside this House while the House is in session, and making statements of policy outside the House while the House is in session. I suppose every member of the cabinet has been guilty of this, including the Minister of Fisheries and Forestry who made a statement in Vancouver about sealing—

• (8:20 p.m.)

Mr. Boulanger: I rise on a point of order, Mr. Chairman. I have a very serious point of order and I think this is the proper time at which to raise it. I hope the hon. member who has just sat down for a moment will understand it very well. I am going to read in English—

An hon. Member: That won't help.

Mr. Boulanger: —Standing Order 34 concerning irrelevant or repetitious remarks. Paragraph 2 states clearly that such remarks are out of order and that a point of order may be raised. For the last three or four days the hon. member has been repetitious in every speech he has made. Every time he has got up it has been repetition, repetition, repetition.

An hon. Member: That is the trouble with the point of order.

[*Translation*]

Mr. Boulanger: Mr. Chairman, if there is a Standing Order which must be followed tonight with regard to the hon. member who now has the floor, it is indeed that which deals with the disrespectful remarks he just made and the repetitions he has chosen to make for the last four or five days.

Therefore I respectfully suggest, Sir, that you make a ruling on this important point of order.

[*English*]

Some hon. Members: Hear, hear!

Mr. MacInnis: On the point of order, Mr. Chairman, I notice there are a good many rule books on the other side. The hon. member referred to Standing Order 34(2). I will read it as it should be read.

> Mr. Speaker or the chairman, having called the attention of the House or of the committee—

So the responsibility for referring first to repetitious remarks by any hon. member belongs to the Chair and is not a matter for an hon. member to raise. This is written right into the rule.

[*Translation*]

Mr. Deachman: On the same subject, Mr. Chairman, the words do not seem to be the same as in the Standing Orders because this is how it reads:

> Mr. Speaker or the Chairman, after having called the attention of the House, or of the committee, to the conduct of a member who persists in irrelevance, or repetition . . .

. . . again, and again, and again—

> . . . may direct him to discontinue his speech, and if then the member still continues to speak . . .

—keeps talking, keeps the House busy—

> . . . Mr. Speaker shall name him . . .

. . . That is, the name of the member—

> . . . or, if in committee, the Chairman shall report him to the House.

Mr. Boulanger: Mr. Chairman, on a point of order—

[*English*]

The Chairman: The Chair would like to thank hon. members who have expressed their views on the point of order. I will hear further argument on the point if hon. members wish, but I am prepared to make a ruling now. However, hon. members should stay with the point of order which has been raised.

Mr. MacInnis: I rise on a question of privilege, Mr. Chairman. It arises from the remarks of the hon. member for Vancouver Quadra, or wherever he comes from in British Columbia, implying that what I said was not, in effect, what I read from the rule. I read only so far from Standing Order 34(2):

> Mr. Speaker or the Chairman, after having called the attention of the House—

That is where I paused. The responsibility for drawing the attention of members to repetition rests with the Chair. I do not want to hear the hon. member for Vancouver Quadra, who has proven in the House before to be a liar—

Some hon. Members: Withdraw.

The Chairman: Order. I am sure members of the committee realize we are engaged in an important debate and should not take up too much time on the point of order. As I indicated a few moments ago, I would like to rule on the point of order if hon. members would allow me to do so. It seems to me, with respect to the point of order raised by the hon. member for Mercier, that as the hon. member for Cape Breton-East Richmond has indicated it is really at the instance of the Chairman or of Mr. Speaker that an hon. member is asked not to be repetitious. From my own experience in the House, it seems that over the years there has been a good deal of repetition, perhaps for the purpose of emphasizing points which hon. members wish to make.

I would think, though, with respect, that the point of order was well taken and I would ask the hon. member for St. John's East and other hon. members, in view of the fact that the point with which we are concerned tonight is not so much the terms of the Standing Order as the general relevancy of the debate, to confine their arguments at least to part IV of the bill, dealing with the establishment of ministries and ministers of state.

Mr. Boulanger: I rise on a question of privilege, Mr. Chairman. Its purpose is to tell you, Mr. Chairman, that here on the government side we practice what we preach. As you will have noticed, I just spoke in English, as a Quebecker, and my hon. friend, as a good British Columbian, spoke in French.

Mr. MacInnis: And neither one of you said anything.

Mr. McGrath: Mr. Chairman, I was saying that if this bill were passed more ministers would be able to circumvent the rules of the House by making statements outside the House while the House was sitting, or by releasing important documents and reports outside the House when those documents ought properly to be tabled in the House. And more ministers would submit themselves to the illegal roster system, thereby depriving other hon. members of the opportunity of discharging their responsibility to their constituents by asking questions at the appropriate time.

Today the Minister of Regional Economic Expansion journeyed to the city of Halifax to release an important document which should have been released first in this House and to issue, together with that document, a statement. This illustrates the contempt which that particular minister feels for this institution. The report he issued today had been prepared by a government agency, the Atlantic Development Council. The document was an important one for the four Atlantic provinces, calling, as it did, for a ten-year strategy of development. It completely denies the present policy of the government and shows that policy to be one which is of little benefit to

the disadvantaged regions of this country, in particular the Atlantic provinces.

I say this with particular reference to the creation of employment in the Atlantic provinces. Which are the two provinces getting least benefit from this program? They are the two with the highest rates of unemployment in the country, namely, Prince Edward Island and Newfoundland, one with 11 per cent unemployment and the other with 15 per cent.

• (8:30 p.m.)

This House was denied the right to have the document tabled today. Members were denied the opportunity of responding to it and of replying to the statement made in tabling it. A statement was made outside the House, notwithstanding the fact that the House was sitting. This document was released today in the city of Halifax one hour before the House was to begin its sitting. I submit this is clearly in contempt of Parliament. It shows complete contempt for the traditions and ancient privileges of this institution. This is a document of tremendous importance to the Atlantic Provinces. For example, chapter 1 refers to the economy of the Atlantic provinces, with which it deals in great detail. In chapter 2 there is a resumé of the main recommendations—

Mr. Baldwin: Mr. Chairman, I rise on a point of order. I call Your Honour's attention to citation 159 of Beauchesne's Parliamentary Rules which provides, amongst other things, that a document which has been cited ought to be laid upon the table of the House if it can be done without injury to the public interest. Paragraph 4 of that citation provides:

> Official papers quoted during a debate should be laid on the table of the House. Mr. Patterson, member for the electoral district of Essex, and Mr. Cockburn, member for the electoral district of Northumberland, having, in the course of the debate on a motion for an order of the House and the amendment thereto, read extracts from certain official papers in their possession, and relating to the question under consideration, Mr. Mackenzie raised the point of order that official papers, when cited by an honourable member, ought to be laid on the table of the House. Mr. Speaker ruled: "That the point of order was well taken, and that the papers cited by the honourable members for Essex and Northumberland should be placed in the possession of the House".

It is true that Your Honour is sitting in committee, but I suggest that under that provision there is a direct, mandatory requirement that when an hon. member sees fit in the course of debate to cite from what are in effect official papers—and this document can only be considered, of course, an official paper—they should be laid on the table of the House and made available to all hon. members.

Mr. McGrath: Mr. Chairman, on the point of order raised by my hon. friend from Peace River may I say he anticipated me because it was my intention to ask for the consent of the committee to comply with the expressed wish of the Prime Minister that I table this document. I was not permitted the opportunity to do so today, for reasons which I will not go into, notwithstanding the fact that I had been asked personally by the Prime Minister on the floor of the House to table the document. I endeavoured, in the opportunity presented to me today under Standing Order 41(2), to comply with the Prime Minister's wish that I table the document. I am concerned that members of the government have not seen it, let alone members of the House. I am sure that the Prime Minister is as anxious to see the document as we are. Certainly, I am sure no member of the government would withhold consent to my tabling this important and very valuable document.

Consequently, supported by the citation from Beauchesne placed on the record by my hon. friend from Peace River, and in accordance with the expressed desire this afternoon of the right hon. Prime Minister, I am very pleased and honoured to be able to lay on the table of the House this very important document for the edification of the government and members of this House.

The Chairman: Order, please. The Chair is prepared to make a ruling. Are there any other hon. members who wish to contribute to the point of order?

[*Translation*]

Mr. Cyr: Mr. Chairman, concerning the point of order, I must point out that—

The hon. member has just moved that the committee accept the tabling of the document. In my opinion, the document should be tabled, if warranted, at the Committee on Regional Development. That committee is having hearings during this part of the session. The hon. member should submit the document to the committee in charge of reviewing the operations of the Cape Breton Development Corporation. I do not feel that this is the right time to table the document in the House.

[*English*]

The Chairman: Order, please. I have heard the argument of the House leader for the official opposition that there may be some procedure by which the document referred to by the hon. member for St. John's East can be tabled at this stage of the proceedings. I must say, I have very grave doubts that this can be done while the House is sitting in committee of the whole. The hon. member for St. John's East made reference to the wish of the Prime Minister. I cannot assess the position in that respect because I have no knowledge of it. However, it seems to me that in committee of the whole we must follow the procedures of the committee. We must concern ourselves with our terms of reference. The committee is discussing clause 14 of Bill C-207, dealing with ministers and ministries of state.

As I indicated when the point of order was raised a few moments ago, there is some doubt in my mind about the relevancy of the remarks of the hon. member for St. John's East. Be that as it may, I think in committee we have been relatively generous in the matter of relevancy. However, I do not think there is any procedure, with great respect, by which this document could be tabled in committee of the whole at this time.

Mr. Baldwin: Mr. Chairman, I did contemplate, in light of the ruling you have made, moving a motion that the

committee rise, report progress and ask leave to have this document tabled. But in light of the fact that this might cause difficulty I think I should ask the committee to appeal the decision that Your Honour has made.

The Chairman: Order, please. The hon. member for St. John's East has the floor. There may be another opportunity for the hon. member for Peace River to move the motion to which he has referred, but at the present time the hon. member for St. John's East has the floor.

Mr. Baldwin: With respect, Mr. Chairman, I rose on a point of order to start with.

Mr. Basford: Who is talking of the rules of Parliament now? This is disgraceful conduct.

The Chairman: Order, please. I do not think there can be any quarrel about this. It seems to me that the hon. member for Peace River has gained the floor on a point of order for the purpose of moving a motion. There may be other opportunities for him to move the motion, but it seems to me he cannot take the floor on a point of order to move the motion.

Mr. Baldwin: Mr. Chairman, you are quite correct, but I think that Your Honour will agree that I first rose on a point of order when the hon. member for St. John's East made his statement. On that point of order Your Honour made a ruling. Under those circumstances, I initiated the discussion. I submit, with all due respect, that I am entitled to appeal the decision that Your Honour has made.

Mr. McGrath: Mr. Chairman, if I could speak to this matter for a moment I may be able to find a way out of this impasse.

The Chairman: The hon. member for Peace River may find an opportunity to move the motion, but I have indicated that the hon. member for St. John's East has the floor; and as long as he has the floor I think I must acknowledge his right to speak.

Mr. Baldwin: With due respect, Mr. Chairman, I must appeal your decision not to allow me to appeal your decision.

Mr. McGrath: Mr. Chairman, my intervention, which you so rightly ruled you would hear, was to suggest that perhaps the committee, which is master of its own conduct within the rules of the House, might wish to give me unanimous consent to table this document and in that way comply with the Prime Minister's request.

Some hon. Members: No.

• (8:40 p.m.)

Mr. McGrath: Mr. Chairman, it would appear that unanimous consent is not forthcoming. I regret that this is so. The hon. member for Gaspé, for example, should be as interested as anyone in getting this report. He comes from one of the most disadvantaged areas in the country. For that reason I would hope the committee would reconsider its refusal and through you give me unanimous consent officially to table this document today.

[*Translation*]

Mr. Cyr: Mr. Chairman, I rise on the same point of order.

For the information of the hon. member for St. John's East (Mr. McGrath) I must tell him that all members received copies of the document in today's mail. There is therefore no need to make an issue of—

[*English*]

Mr. MacInnis: I rise on a point of order, Mr. Chairman. The hon. member for Gaspé said "all members". This is not correct. I have not received any such copy. With regard to the ruling given by the Chair, I wish to seek guidance from the Chair. How will the committee of the whole operate in the future if Beauchesne's rules do not apply? We are in committee of the whole. It appears that in disallowing the argument advanced by the hon. member for Peace River the authority of Beauchesne is no longer applicable in committee of the whole. Is this committee to operate without the rules of Parliament?

Mr. Lambert (Edmonton West): There is an appeal.

The Chairman: The Chair does not want to reiterate the ruling. Hon. members may not agree with it, but as I indicated earlier I am aware of no procedure whereby under the circumstances which we have tonight in committee of the whole a document can be tabled.

Mr. Baldwin: Mr. Chairman, you have made a ruling, it is your right to make that ruling and I respect it. But I also respect my rights and the right of any other hon. member to appeal that ruling. I raised a point of order to start with. It was my point of order on which the discussion was initiated. Your Honour, in the breadth of your discretion, disallowed my point of order. I am now appealing your refusal to accept the point of order which I raised. Surely when I raise a point of order and Your Honour decides against it, I am entitled to appeal that decision.

The Chairman: I think the hon. member for Peace River is quite correct. The point which the Chair tried to make was that when the hon. member gained the floor on a point of order to appeal the ruling, the hon. member for St. John's East had the floor. The hon. member for St. John's East concluded his remarks, I gave the floor to the hon. member for Peace River subsequent to the point of order raised by the hon. member for Gaspé, and I now take it from the hon. member's remarks that having obtained the floor quite properly in the sequence of events, he is appealing the ruling. If I am correct in that, I think the hon. member has the right to appeal the ruling. Of course, under the rules the appeal will be submitted to Mr. Speaker.

Mr. Baldwin: Your Honour is correct. You can consider that the appeal has been made and that the machinery has now been launched.

Mr. Boulanger: That is what I call mockery of the House.

Mr. Baldwin: This is what the rules provide. Read them.

• (8:50 p.m.)

Mr. Speaker resumed the chair and read the question as follows:

The question is an appeal of a decision of the Chairman of the committee of the whole under the provisions of section 4 of Standing Order 55, as follows:

When clause 14 of Bill C-207, an act respecting the organization of the government of Canada and matters related or incidental thereto, was being considered in committee of the whole the hon. member for Peace River raised a point of order to the effect that a document referred to in committee of the whole should be laid upon the table.

The Chairman ruled that there was no known procedure whereby a document could be laid upon the table of the committee of the whole since the committee was bound by its order of reference which in the present instance was clause 14 of Bill C-207.

Whereupon the hon. member for Peace River appealed to Mr. Speaker from the decision of the Chair.

Mr. Speaker: If hon. members think it would be of advantage to the proceedings in this chamber to give citations or advice to the Chair in relation to the point of order which has been raised, I will be pleased to hear such argument, after which a decision will be given.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, in the first instance I shall try to establish the various facts which I think must be established in order to sustain the onus of proof upon me, and I admit there is such an onus. The first question is whether this is an official document. The document is called "ADC, A Strategy for the Economic Development of the Atlantic Region, 1971-1981, Atlantic Development Council". The first page contains a letter addressed to the Hon. Jean Marchand, P.C., M.P., Minister of Regional Economic Expansion, Ottawa, Ontario. It states:

Dear Mr. Marchand:

I have the honour of submitting to you on behalf of the Atlantic Development Council—

A council established under legislation.

—our proposals for a strategy for the economic development of the Atlantic region.

The council presents this strategy in the hope that it will contribute to accelerated economic development in the Atlantic region in the 1970s.

I simply leave this branch of my case by saying I submit that this establishes that the document is an official paper. I would then refer Your Honour to citation 159, Beauchesne's Fourth Edition, paragraph 3, which states:

It has been admitted that a document which has been cited ought to be laid upon the table of the House, if it can be done without injury to the public interest.

It goes on to deal with certain instances. Then paragraph 4 states:

Official papers quoted during a debate should be laid on the table of the House. Mr. Patterson, member for the electoral district of Essex, and Mr. Cockburn, member for the electoral district of Northumberland, having, in the course of the debate on a motion for an order of the House and the amendment thereto, read extracts from certain official papers in their possession, and relating to the question under consideration, Mr. Mackenzie raised the point of order that official papers, when cited by an honourable member, ought to be laid on the table of the House. Mr. Speaker ruled: "That the point of order was well taken, and that the papers cited by the honourable members for Essex and Northumberland should be placed in the possession of the House."

I admit that what the chairman of the committee pointed out is a problem Your Honour, myself and other hon. members will have to face, that is, we were not having a debate on a bill in the House but in committee of the whole. I think this raises a moot point. If the ruling of the chairman of the committee, is to be upheld, is it the position that any hon. member during the course of a debate—there is no doubt this was a debate in committee of the whole—can cite official papers without being subject to the requirement of having those official papers laid on the table of the House?

It may well be that we will have to be vigilant and alert to find a way in which this can be done. It may well be that the committee would have to resolve itself into the House so that the documents could be laid on the table. However, I submit that the rule is clear, positive and categorical—that if official documents are quoted in a debate they must, when requested, be tabled. I rest my case upon this simple point and hope that justice, equity and fairness will permit Your Honour to see the logic and justice of the case I have made.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I would merely like to add a few words to those of my colleague from Peace River (Mr. Baldwin). I do not think there is any distinction whatsoever—I believe Your Honour would agree with me—in the nature of debate that takes place whether in committee or when Your Honour is in the chair when we are sitting in formal session. Debate is debate. Therefore, when a member of the House, be he minister or otherwise, quotes from a public document I suggest, with the greatest deference, that the rule is the same. The circumstances are the same and whether we are in committee or in the House in formal session makes little difference.

The reference is to a public document during debate. I am sure that if the minister when discussing a clause in a bill were to make reference to a public document,the House could call for it to be tabled. Therefore I would say that under the present circumstances the House can call for the document which the hon. member for St. John's East (Mr. McGrath) was quoting, because it is a public document. In addition, I would submit to Your Honour that Standing Order 55(1) has direct application to the present circumstances. It refers to the application of Standing Orders to sittings while in committee of the whole and states:

The Standing Orders of the House shall be observed in committees of the whole House so far as may be applicable—

Then the rule states the exception, which in no way touches upon this particular question. So there are no exceptions which concern the tabling of papers. Therefore I would put it to Your Honour that whether we are

in committee or in formal session in the House makes no difference. This is a public document, and whether the document is referred to by a member of the government, a government backbencher or a member of the opposition makes little difference: the hon. member can call for the document to be tabled.

• (9:00 p.m.)

To that extent I put it to Your Honour that the point of order raised by the hon. member for Peace River (Mr. Baldwin) was perfectly correct, and therefore the hon. member for St. John's East should be called upon to table the document.

Mr. Speaker: Order, please. I notice that a number of hon. members to the right of the Chair seem to be anxious to participate in the debate and, I assume, to give advice to the Chair along the lines that the point of order should not be accepted and the appeal should not be allowed. However, in all honesty I must tell hon. members that I am now prepared to give a ruling and I cannot think of anything that could be said by hon. members to my right which would influence me to change my course of action, having heard the points made by the hon. member for Edmonton West (Mr. Lambert) and the hon. member for Peace River (Mr. Baldwin).

If there are other arguments to be submitted for the guidance of the Chair by hon. members who wish to support the point of order and who think the appeal should be allowed, I am perfectly prepared to hear them and as a result I might be otherwise convinced; but I have to tell hon. members that I am not convinced at all by the arguments already advanced.

The hon. member for Peace River suggests that he has the onus of proof. He was perhaps generous in this regard. I do not think he necessarily has the onus of proof; I think it is a burden to be shared equally on both sides of the question. The matter should be looked at objectively by the Chair with this point in mind. Hon. members have suggested that because a public document, an official document, has been quoted by an hon. member, it should be tabled in the House. I suggest to hon. members that this has never been a rule of the House and I would be very surprised if any precedent could be quoted in support of the contention advanced by the hon. member for Peace River and by the hon. member for Edmonton West.

Hon. members well know, perhaps even better than the Chair, that documents can be tabled in the House under certain circumstances. If hon. members will turn to citation 209 of Beauchesne's Fourth Edition they will find the following passage:

> Papers are laid before the House in pursuance of
> (1) Provisions of an act of Parliament;
> (2) An order of the House;
> (3) An address to the Crown;
> (4) The command of the Crown;
> (5) Standing Orders of the House.

Standing Orders of the House relating to the tabling of documents are the Standing Orders under which the hon. member for St. John's East earlier today attempted to table the document in question. Here I refer to Standing Order 41(2) as follows:

> A minister of the Crown, or a parliamentary secretary acting on behalf of a minister, may, in his place in the House, state that he proposes to lay upon the table of the House, any report or other papers dealing with a matter coming within the administrative responsibilities of the government—

I think hon. members know that this has reference to the tabling of documents on motions by a minister or by a parliamentary secretary on behalf of a minister.

The point is made that a document, having been referred to in debate, should be tabled. The rule in this respect is, again, well known. I refer hon. members to May's Seventeenth Edition, page 458:

> Another rule or principle of debate may here be added. A minister of the Crown is not at liberty to read or quote from a despatch or other state paper not before the House, unless he be prepared to lay it upon the table. This restraint is similar to the rule of evidence in courts of law, which prevents counsel from citing documents which have not been produced in evidence.

With due deference, I suggest to hon. members that the rule is clear, that it applies to an official document quoted in debate—not merely referred to, but cited and quoted in debate—and referred to in support of an argument by a minister of the Crown. This rule has never been otherwise interpreted by Speakers and has never been deemed by the House to be applicable to reference in debate to a document, official or otherwise, by an hon. member.

Even if the document in question is admitted to be an official document—and I do not quarrel with this interpretation by the hon. member for Peace River—this imposes no obligation and does not, I suggest, give to the hon. member who has quoted or referred to the document the right to table it. I suggest to hon. members that we would have a rather overcrowded table if every time an hon. member referred to an official document he was called upon to produce the document and place it on the table of the House. This has never been done and it has never been accepted that such is a rule of the House.

I suggest to hon. members, with respect, that the ruling of the Chairman of the committee was in accordance with the Standing Orders and with the practices of the House. Therefore I rule that the appeal cannot be allowed. The committee will now resume discussion of the bill that was before it.

And the House having resumed in committee:

The Chairman: House again in committee of the whole on Bill C-207.

On clause 14—*Establishment of Ministries of State.*

[*Translation*]

Mr. Fortin: Mr. Chairman, before clause 14 is passed, I wish to express the arguments that I was unable to put forward when I last took part in the debate since my time was up.

Government Organization Act, 1970

Proposed clause 14 provides for the establishment of ministries of state by proclamation by the governor in council.

Clause 14 of the bill provides that ministries of state will be established by, and I quote:

—the Governor in Council ... by proclamation—

Clause 15 in Part IV of the same bill states that the establishment of a ministry of state will be announced by proclamation.

A proclamation establishing a Ministry of State shall

(a) state the name of the Ministry;

(b) specify the matter or matters in relation to which the Minister, etc.—

That is to say that clause 15 is derived from the same concept as clause 14: namely, resorting to proclamation rather than passing legislation.

Mr. Chairman, clause 16 deals with amendments to the contents, definition or purpose of the ministry. Under clause 16, these amendments could be made by proclamation. In effect, this clause reads as follows and I quote:

The Governor in Council may, by proclamation, from time to time, change the name of a Ministry of State or vary any matter set out in the proclamation establishing the Ministry.

And this is not all, Mr. Chairman. The same principle is applied further. Clause 18 deals with the termination of a ministry of state. How will this termination be made? What method will be used to eliminate a ministry of state? Still by proclamation. Clause 18 is drawn up as follows:

The Governor in Council may, by proclamation, terminate the existence of a Ministry of State.

This means that in clauses 14, 15, 16 and 18, the government is clearly stating what it has in mind when asking us to adopt Part IV of the bill. Basically, the government would like Parliament to delegate part of its already fairly reduced powers to the executive power to enable it, as regard these specific questions, not to have to go through Parliament but to act on its own authority, by proclamation instead of legislation.

Mr. Chairman, the President of the Treasury Board (Mr. Drury) stated yesterday in the House that Parliament cannot control the activities of commissions such as the Royal Commission on the status of women since no minister is actually responsible for it. This was basically his point. He argued that a minister had to be responsible before the House for the Royal Commission on the status of women, for instance, or for the Prices and Incomes Commission or any other commission.

Mr. Chairman, I should like to make it very clear for the President of the Treasury Board. That is precisely what we want, that a minister be responsible for the Crown corporations and all organizations, agencies or departments created by this government.

So, to be logical, it would be necessary for the President of the Privy Council to tell us precisely what Crown corporations or agencies will come under the jurisdiction of this or that minister. It is important to know they take good care not to tell us in precisely what area those bodies will be created. We are being asked for blanket authority to create ministries whose terms of reference in particular fields the government will specify as they please, as circumstances may require.

Mr. Chairman, one cannot discuss things unknown to him. The argument used by the President of the Treasury Council was very weak, I believe, and I had hoped he would give better reasons for clauses 14 to 18. There must be serious reasons not to use Parliament but to resort instead to proclamations. In order to justify the creation of ministries of state and the appointment of new ministers the President of the Treasury Board pointed to the fact among the 80 government agencies or departments, many are not really responsible to Parliament, except for the annual report they present at the close of the financial year.

He thus proved that numerous powers had already been handed over to those creatures of the government. Fundamentally, the argument put forward by the President of the Treasury Board showed to what extent that administration escaped the control of Parliament.

Therefore, Mr. Chairman, the President of the Privy Council proposed that the House grant him a broad permission to create ministries of state.

He took care not to tell us exactly in what fields these ministries would operate.

Mr. Chairman, this is a serious lapse, and I feel that the President of the Treasury Board could rise and very simply and quite frankly give us some details.

I do not stand here to hold up the passage of this bill but only in the hope of being enlightened on clauses 14 to 18 and on the reasons why the government does not intend to proceed by legislation but rather by proclamation and asks the House for delegated powers.

An eminent statesman once said: "Give us the tools and we will do the job." We are ready to give the tools to this government, but we want to know to what use it will put them.

We want Parliament to establish these ministries of state through legislation. I want these ministries of state to be established through legislation according to the normal practice of the House. If the government really intends to amend the definition, the name, the responsibilities, or the structures, as indicated in clause 16, I want it to proceed not by proclamation but by way of legislation. If the government wants to abolish a ministry of state or another, as it can do under clause 18, it should do it through normal and ordinary procedure, that is through legislation rather than proclamation.

Our hon. opposites have not given us the answer to these questions. Why, in the case of 29 other departments, has the government submitted to the will of Parliament, proceeded through the normal and ordinary procedure while now, by means of clauses 14 to 18 of part IV, it will no longer proceed through legislation but by proclamation, independently of needs or problems raised by Parliament, independently of the opinion of parliamentarians of any party? At this level, Mr. Chairman, we are all equal and we all have the same rights

and the same privilege of knowing exactly what is going on.

Mr. Chairman, facing this problem the government would like to have all this done through exceptional measures, either by proclamation, after receiving general authorization from the House of Commons. This is what a vote in favour of clauses 14 to 18 will mean—blanket authority granted to the government to act as it pleases through delegation of powers.

Mr. Chairman, we would grant the government the over-all authorization it seeks if it were willing to proceed, as it should, in the establishment and administration of these ministries, by telling us in what definite fields they will operate, but this answer is not given to us.

Mr. Drury: It cannot be given, Mr. Chairman.

• (9:20 p.m.)

Mr. Fortin: If we were given this answer, Mr. Chairman, we would certainly be in a position to co-operate. But we cannot go blindly on.

In view of this uncertainty and the dark in which we are kept, I cannot agree. This is why, Mr. Chairman, I want to express my fierce opposition to the fact that Parliament keeps on delegating its authority to the executive, because we do not know just how far this government will ask us to go and how far we will actually go.

Mr. Chairman, there must be a balance between the executive, legislative and judicial powers. The legislative power is increasingly delegating its authority to the executive to enable it to work more effectively. However, it is not proven that this system of delegation of power really serves the interests of the people of Canada.

Mr. Chairman, we now have a government of technocrats, of specialists and scholars instead of a human government. We have a government which constantly increases the number of inquiry commissions, departments, agencies, ministries—in fact, there are more than 80 of them—and appointments, ostensibly to bring the people to participate in the administration of the state. Unfortunately, the people participate less and less, and I shall give a very specific exemple to this effect.

One day, the Minister of Finance (Mr. Benson) rose and told the House: The government has just published a white paper on tax reform, which is going to change the whole tax structure and system. He said also that this white paper was published to obtain the views of the people. He said: We will take into consideration the views that will be expressed, the people will have an opportunity to submit their views to the government.

The days went by and some opposition members asked the Minister of Finance whether he was hearing from many Canadians and whether their views were favourable ones. The minister contented himself with rising, smiling while rocking back and forth and resuming his seat as usual. An opposition member rose and asked the same question. The Minister of Finance then gave the following answer: The opposition would like very much to know how popular the Liberal party is in Canada.

That, Mr. Chairman, is the kind of attitude that proves the government does not really want more participation in the formulation of legislation, in the administration of the common weal. It is an excellent purpose, Mr. Chairman, to want more participation by the people in the formulation of legislation, and that is not what I blame the government for.

Mr. Chairman, my concern about these ministries of state, and I have said so again—

Mr. Béchard: And you are going to say so once more.

Mr. Fortin: Mr. Chairman, if only the Parliamentary Secretary would stop disturbing me.

Mr. Béchard: He does not disturb much!

Mr. Fortin: Mr. Chairman, if a crisis should occur in a particular field,—I would not want it to happen,—and should a ministry of state serve as a pretext to the government to do nothing, to hide its inability to get things done, would the government be able to say what could happen?

What does the government do when it is faced with a problem? It creates a Royal Commission of Inquiry and the results are nil. Nothing happens.

We would like to know how far these ministries of state can go. What authority will they have? In what way will they differ from other departments established through the normal legislative procedure?

Mr. Chairman, as long as we do not obtain clear and fair answers to these questions, the government has no right to suggest that the opposition is filibustering, because we are convinced that we are doing our work as members of this House, which is to ask the government to account for public expenses.

The President of the Privy Council may well tell us later that hon. members can easily exercise such control through the question period and the annual reports of departments and agencies.

Mr. Chairman, since I was elected to this House, I put more than 300 questions on the Order Paper about the management and status of Crown corporations and I made in this way a detailed study on the control exercised by Parliament over these corporations. Today, I can tell the President of the Treasury Board that, according to the findings of that study, parliamentarians have less and less control over Crown corporations.

Mr. Chairman, it can easily be proved that control by Parliament over Crown corporations has become nonexistent, and that its control over departmental administration is only bluff, since we are only informed of what the government wants us to know.

I have asked, for instance, for the production of papers concerning the Department of Public Works, with regard to the construction of a federal building in Victoriaville, which the Liberals have been promising since 1952. I have had that notice of motion put on the order paper in October and it was only a year and some months later that the papers, although not all of them, were provided.

Mr. Chairman, this is an example of the carelessness of the administration. And yet, a member should be the first to be informed of the achievements of a department in his riding. But this is not the case. When a member—and let us put aside party politics—tries to find out about the plans of a department, of officials or technocrats in his riding, he is wasting his time. He goes from one technocrat to another and standing on a two-foot thick carpet, he learns absolutely nothing!

They say that it is a departmental or interdepartmental secret, or still, they say politely: This is none of your business.

Yet, people have democratically elected the member so that he will keep in touch with the authorities concerned and, without any partisan motive, report to his constituents on the administration of the government.

I have written at least a dozen letters to the Minister of Public Works (Mr. Laing), asking him about the progress being made in the expropriation proceedings concerning the federal building in Victoriaville. I got no reply, except one from his private secretary, acknowledging receipt of mine and telling me that she would bring my inquiry to the minister's knowledge. That is the kind of control Parliament has over a department even when a member's riding is concerned. This is ridiculous.

I understand the President of the Treasury Board has valid motives and is honest, but I wish to tell him that the system is inadequate, and I am not prepared to crawl in order to create four more ministries about whose establishment, transformation or abolition we shall have nothing to say, and about which we shall never know what is going on if ever one of them developped programs for our ridings.

Mr. Chairman, this is absolutely senseless. The construction of a federal building in Victoriaville is very important to me and to my fellow citizens in Lotbinière and Victoriaville—and I say this without any partisanship. All the people of my area are shocked because we have been promised a federal building since 1952. The supplies have been voted, as one can see in the estimates. An amount of some $697,000 was voted two years ago, but no building has been erected. I wrote to the department to know if there had been expropriations, but I got no reply. In a letter to the minister I asked how work was progressing, but I have not yet received an answer. Now, I am being asked to approve a bill seeking to create ministries of state about which Parliament will not be able to give its opinion regarding their establishment, their modification, the restriction of their powers or their abolition. Our fears are quite understandable.

That is why I reject those clauses as long as we do not get information—

[*English*]

The Chairman: Order, please. The hon. member's time has expired.

Mr. Drury: Mr. Chairman, my intervention will be quite brief. I should like to say a few words in response to representations made by the hon. member for St. John's East and also by le député de Lotbinière. First, the hon. member for St. John's East has raised what might better be described as grievances rather than observations on the bill under study. Although perhaps the grievances were not relevant, they ought to be answered.

• (9:30 p.m.)

The hon. member objected to what he referred to as the illegal roster system. He supported the notion of illegality by quoting Standing Order 5 which calls for hon. members to attend the service of the House unless leave of absence has been given by the House. I suppose that one could conclude from this Standing Order that ministers who are not on duty in the House on a particular day are absent without permission and, consequently, are offending Standing Order 5. This kind of interpretation of Standing Order 5 would apply to very large numbers. For example, the hon. member's party would be in a state of illegality and in contravention of the rules of this House if that were the correct interpretation of the rule. I am sure the members of the committee would agree that this is not the way the rule is to be interpreted.

In so far as the roster system is concerned, it is in effect an assurance given by the Prime Minister that the ministry will be so organized that each of the ministers will attend at the question period on three of the five sitting days of a week. The roster system is not designed to absent but to ensure the attendance of ministers on at least three of the five sitting days of the week unless they are out of the city of Ottawa on official business. On those three days, that system takes precedence over House or other government business. In this light it would be hard to argue that the hon. member even has a grievance.

The hon. member raised one other matter which I think deserves comment. He complained that under our new rules it is no longer possible to withhold supply. He cited the case of the old days where, if I understood him correctly, if a member was not satisfied or did not get his way he could indefinitely, presumably forever, hold up supply for the government in the service of the country. As I understood it, that is a plea for what is properly referred to as the tyranny of the minority. I do not think our rules and practices should lend themselves to that kind of tyranny. They are liable to be abused in the same way as is sometimes seen as manifestations of the tyranny of the majority. Both can occur, and both are equally dangerous. In so far as the hon. member regrets the disappearance of this phenomenon, he is crying about what I am glad to say is a lost cause.

[*Translation*]

When the hon. member for Lotbinière mentioned the President of the Privy Council, I believe he meant the President of the Treasury Board because he was referring to what I said. He claimed that yesterday I suggested setting up ministries of state to better supervise Crown corporations and boards created from time to time by the government. He mentioned the example I gave concer-

ning the problem of the status of women. I am not in favour of those ministries to better supervise Crown corporations. What I tried to explain yesterday was this: from time to time, unexpected and serious problems crop up suddenly, which are of national portent and which do not fall within the jurisdiction of an existing department. Again I mention the problem of the situation of women in Canada which, so to speak, concerns most of the departments of the government and therefore no specific department.

It will therefore be understood that certain problems come under the jurisdiction of all departments in general, but of none in particular. And in order to formulate a sound and useful policy to solve those problems, it is necessary to establish a ministry of state which will be entrusted with the task of preparing a policy. That ministry will then administer and implement that policy. If any new ministry must implement a policy established and approved by Parliament, it might be that after achieving its purpose, it will disappear. Indeed, it is not the wish of the government to see a proliferation of bureaucrats and departments, and if a ministry of state has survived its usefulness, it will be suppressed. We have enough officials, we must not take on any more. One must distinguish between a real department and a ministry of state. In theory a department is created through legislation, and that is what we want to do. As regards the creation of a ministry of state that would be relatively small, that would look after policy-making, that would not have many functions, it may not be as necessary to flollow the procedure applied for the establishment of a real department. One must distinguish between the two. Departments from now on will have to be established through legislation. On the other hand, a ministry of state may be established in order to achieve precise purposes and abolished once the purpose has been achieved.

That is what is meant by clauses 14 to 20. If the hon. member can distinguish between a ministry of state and a department and if he can understand that departments will be established as before, through legislation, I believe he could accept easily enough the creation of ministries of state through proclamation.

• (9:40 p.m.)

[*English*]

Mr. Bell: I should like to ask the minister a question. I appreciate he is the first one who has tried to justify the roster system. In the first part of his response to my hon. friend from St. John's East he said that ministers who are not here are in the same position as members who are not here. Does he make no distinction between a minister who announces formally that he will not be present and a member who may be behind the curtain or in the building somewhere? Is there not a flouting of the Standing Order by a minister who announces publicly that without permission he intends to be absent? Does the hon. gentleman not see a definite distinction here?

Mr. Drury: I see a difference, but I cannot see that clandestine sneaking behind the curtain is any worse than stating one's intentions publicly. Doing in secret what is wrong is not really much better than doing publicly what is wrong.

Mr. MacInnis: Would the minister not also distinguish between the responsibility of a cabinet minister and that of any other member of the House and keep this in mind when he refers to the roster system? Would he also, since he has alibied the roster system quite well, explain to the House the practice of ministers not attending the House unless they are on the roster and are given permission to attend during the question period? I emphasize the words "given permission to attend" when they are not on the roster.

Mr. Drury: I appreciate the hon. member's emphasis on those words, though I am not sure why he emphasized them or who is in the process of granting this permission.

Mr. MacInnis: For the edification of the minister I would suggest he get in touch with the Prime Minister, if possible, and with the Minister of Fisheries. Let him look at what has happened in the past in this respect. No matter how the minister defines Standing Order 5, it is not a question of being absent voluntarily or absent on government business; it is a case of the roster system being imposed upon ministers who do not and cannot attend on the days on which their names do not appear on the roster.

Mr. McGrath: The minister seems to have missed the point with regard to Standing Order 5. I suppose this is one of our oldest rules, and surely its purpose is to preclude the possibility of anybody preventing a member of the House from attending. What the minister seems to ignore is that the Prime Minister is violating that rule by directing a number of his colleagues, on any one day, to stay out of the House, clearly in contravention of Standing Order 5.

Mr. MacInnis: He does not seem to know what the Prime Minister is doing.

Mr. Drury: You will forgive me, Mr. Chairman, but I am not sure whether this is really relevant to the bill. I apologize for being out of order. However, let me say that I am a member of the ministry.

An hon. Member: Explain.

Mr. Drury: I will try to explain what a member of the ministry is. I have never been directed by the Prime Minister to stay out of the House. Indeed, I have on occasions been in the House during question period on days other than those on which I am required to attend in accordance with the roster. I have come into the House on those occasions feeling that attendance in this House was appropriate and should have the highest priority on my time. Let me assure the hon. member that I did not have to seek the permission of the Prime Minister and I do not believe I shall have to seek the Prime Minister's permission to do so in future. This notion that members

are forbidden to enter the House by the Prime Minister is nothing but an unsubstantiated canard.

Some hon. Members: Hear, hear!

The Chairman: Order, please. I hope we will not proceed too far on this point. I believe there is some relevancy attached to it. The subject of the question period and the roster system has been raised by hon. members in debate. In a sense it is relevant. The committee is now being asked to approve the appointment of ministers of state and I think some importance attaches to what is at issue. I will recognize the hon. member for Cape Breton-East Richmond and then the hon. member for Saint John-Lancaster, but I hope we will not spend what is left of the sitting discussing the roster system.

Mr. MacInnis: I rise on a question of privilege. I do so prepared to stake my seat on the statement I have just made, providing the minister has the guts to stake his seat on the denial he has made of what I said. The precedent is already established on the record of this House. Whether or not the minister himself has been requested or instructed by the Prime Minister to remain out of the House when he is not on the roster, I say that ministers have been so requested—the record will prove it—and I will stake my seat upon what is contained in the written record if the minister is prepared to stake his denial in the same way.

Mr. Drury: Mr. Chairman, I stand on what I said, that I as a member of the ministry and a minister of the Crown have been in the House on days during the question period other than my duty days in accordance with the roster; that I did not, that I do not have to—and I am sure I shall not have to—seek the permission of the Prime Minister in order to do this. If the hon. gentleman has loose in his head some idea that there is some curious system which he believes in, he is entitled to his beliefs. I am just saying what I know from my personal experience.

Mr. MacInnis: I apologize to the minister. I did not at any time say that the minister was the member of the government I had in mind. I did not deny the statement the minister has made but I said, and I will repeat it, that I will stake my seat on this premise that it is already recorded in the *Hansard* the statement which indicated that a member of the government was instructed to stay out of the House on a day on which he was not on the roster system. Again I say to the minister that I am not denying what he says, but if he intends to deny what I am saying he should stake his seat on it, because I will stake my seat on what I am saying.

Mr. Drury: I suggest we might terminate this discussion and that we do not waste the time of this House, or my time, by trying to deny what the hon. gentleman is saying.

Mr. Bell: Would the minister agree, once and for all, now that the matter has been brought up, to formally raise it with the Speaker? I know His Honour has avoided ruling on this matter when it has been brought up during the question period, but now we have it in the open and we shall be concerned with it to the extent that we wonder whether these new ministers will ever appear here; we think they may be civil servants and businessmen who will never be elected to Parliament—

Some hon. Members: Oh, oh!

Mr. Bell: We want to know these things. Will these ministers of state be required to be here? Does the minister not agree we should formally get a decision from the Speaker on this entire roster system and settle the matter once and for all?

Some hon. Members: Hear, hear!

Mr. Drury: The hon. gentleman has asked whether the ministers of state will appear in the House. Let me assure him that the individuals appointed under this proposed legislation will have all the qualifications in respect of membership of this House that any other minister would have.

Mr. Bell: There will never be an appointment of a person who is not a Member of Parliament to be a minister of state; is that the assurance?

Mr. Drury: The same kind of people will be appointed to head departments, ministries of state and to be ministers without portfolio as has been the practice in the past.

• (9:50 p.m.)

Mr. McGrath: Mr. Chairman, on the same question—

The Chairman: Order. The hon. member for Oxford.

Mr. Nesbitt: Mr. Chairman, I was wondering whether the minister who has just taken his seat would deal with one matter. In view of the fact that the party of which he is a member, in former days when I was a member of the House appointed a minister from Montreal who was not a member of the House—I refer to Mr. Marler who was Minister of Transport for a good many months before being elected to this chamber—would he give us an assurance that none of these ministers of state will be persons outside this House?

Mr. Drury: Mr. Chairman, I can only repeat my earlier statement and give the assurance that the appointment of departmental ministers, ministers of state and ministers without portfolio will follow the practice of the past.

Mr. MacInnis: Is the minister—

The Chairman: Order. I indicated a few moments ago that I thought this was a helpful interchange and I do not want, unless hon. members would like me to do so, to curtail it at this point. I have been trying to recognize the hon. member for Gander-Twillingate who has a contribution to make—

Mr. Lundrigan: A point of order, Mr. Chairman.

The Chairman: —but if hon. members want to continue the cross-examination, if I may call it that, of the President of the Treasury Board, it may be useful. I recognize the hon. member for Cape Breton-East Richmond.

Mr. MacInnis: Mr. Chairman, is the President of the Treasury Board aware of anybody in the present government who is not a member of this House?

An hon. Member: No.

The Chairman: Order, please. I am not sure we are advancing the work of the committee by this sort of informal interchange. I will recognize the President of the Treasury Board. Has the hon. member for Lotbinière a question?

[*Translation*]

Mr. Fortin: Mr. Chairman, I wish to put a very specific question to the hon. President of the Treasury Board.

He said yesterday in his speech, and I quote:

> To again refer to the Royal Commission on the Status of Women, at the present time there is no minister to whom the members of the House can point the finger of responsibility: it is diffused.

Which means we need a minister in charge of these general policies.

Mr. Chairman, yesterday my hon. colleague for Compton (Mr. Latulippe) put the following question to the Minister of Finance (Mr. Benson):

> Mr. Speaker, could the hon. minister tell us whether he intends to lower the discount rates of the Bank of Canada again so that chartered banks also bring down their interest rates for a better balanced economy?

Mr. Chairman, the President of the Treasury board knows as well as I do that the Bank of Canada is placed by law under the jurisdiction of the Minister of Finance. Now let us look at the minister's answer:

> Mr. Speaker, this is a matter for decision by the Governor of the Bank of Canada. If he has any such intentions he will, of course, notify the public in the normal way and would be in consultation with me . . .

Mr. Chairman, this one instance of the lack of parliamentary control and the minister of Finance—

[*English*]

The Chairman: Order, please. With respect, the hon. member took the floor to ask a question of the President of the Treasury Board. Would he please ask his question.

[*Translation*]

Mr. Fortin: I was coming to the point, Mr. Chairman, a point which the President of the Treasury Board does not seem to be missing. This demonstrates how a member is denied the right to know anything about this government's policies and stresses the fact that the minister is not actually responsible.

Is this the kind of responsibility in store for the future ministers in charge of a ministry, or will they be subject to a stricter responsibility and tighter parliamentary control?

Mr. Drury: Mr. Chairman, the hon. member is well aware of the fact that the Bank of Canada Act states quite clearly the duties, functions and responsibilities of the Bank itself and of its Governor. What the Minister of Finance had in mind the other day was that under the statute approved by Parliament the responsibility for policy questions does not lie with the government but with the Governor.

[*English*]

The Chairman: Order, please. Would hon. members resume their seats. If the hon. member for Lotbinière has a supplementary question I will recognize him, but it seems we are entering very substantially into debate and may be denying other hon. members the opportunity to take the floor. The hon. member for Lotbinière.

[*Translation*]

Mr. Fortin: Mr. Chairman, in view of the explanations just given by the hon. President of the Treasury Board, let me ask if this means that under the law, the Governor of the Bank of Canada is not responsible before Parliament for his decisions or for his influence on the Canadian economy through the Minister of Finance.

Mr. Drury: Mr. Chairman, the hon. member for Lotbinière is well aware that it is not up to me to interpret the existing laws. He is seeking legal advice and I suggest that he reads the statutes relating to the Bank of Canada.

Mr. Fortin: Mr. Chairman, on a question of privilege—

[*English*]

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

Progress reported.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, might I be permitted to ask the government House leader what we will be doing tomorrow, so that we may be adequately prepared?

Mr. MacEachen: Mr. Speaker, I had better resist the temptation to make a comment on that point so as not to halt the progress being made in this House. Tomorrow I had in mind beginning with the Northwest Atlantic Fisheries Convention Act, on the understanding that because of the intensive preparation the speeches will be short, to the point and few in number. Following that we would continue with the present bill which some hon. members find so exhilarating, others depressing.

Mr. McGrath: Mr. Speaker, on a point of order, I ask the President of the Privy Council whether he could tell us if the House could expect to enjoy the presence in the chamber tomorrow of the Minister of Regional Economic Expansion, so that the House will be given the opportunity of directing questions to the minister on the statement

that he made today, and perhaps the minister might even be disposed to table the report.

Mr. MacEachen: Mr. Speaker, I am not sure whether he is on the roster, but I will make a special effort to produce him whether he is on or off the roster.

Mr. Baldwin: Will you table him?

• (10:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

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

HOUSE OF COMMONS—CONTINUATION OF SPEAKER IN POSITION FOLLOWING NEXT ELECTION—SUGGESTED DISCUSSION BY PARTY OR HOUSE LEADERS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on Tuesday, March 23, as recorded in *Hansard* at page 4512, I asked the following question:

> Mr. Speaker, may I direct a question to the Prime Minister. Will the right hon. gentleman consider holding discussions with the leaders of the other parties in the House, or ask the House leaders to hold such discussions, concerning the possibility of our taking appropriate steps so that after the next election we will still have as Speaker of this House, on a continuing basis, the distinguished gentleman who now occupies the chair?

At that point *Hansard* has this notation:

> SOME HON. MEMBERS: Hear, hear!

Which, being interpreted, means that there was applause. I am very happy that the President of the Privy Council (Mr. MacEachen) in his capacity as government House leader is here to respond to my question as I put it once again tonight. I was not surprised that His Honour the Speaker did not let us stay on it the other day when I asked the question of the Prime Minister (Mr. Trudeau), and I may say that this has been noted in a number of publications, notably in an editorial in the Winnipeg *Free Press* on Saturday, April 3. That editorial said:

> It may well be that the proposal, coming in the middle of question period, took Mr. Trudeau by surprise. Obviously it is one that deserves a considered response.

The same editorial went on to say:

> Mr. Knowles, however, was well advised to raise the matter at this time because there is danger that consideration, if deferred too long, may be futile. The closer we draw to a general election, the greater is the probability that the issue will be decided not be serious consultations but by untoward political events.

That indeed is the reason for my raising the question again tonight and expressing to my friend, the government House leader, the hope that he might be here, as he is, to answer it. Perhaps I might read two more sentences from the Winnipeg *Free Press* editorial for they are sentences with which we all agree. They read:

> For three years, the House has been ruled by a Speaker who was not elected to Parliament as the candidate of a party. Never in our history has the chair been held in such respect.

[Mr. McGrath.]

It is because all of us in this House value greatly the leadership and the guidance of the present occupant of the chair that I raise this point again tonight. Perhaps I might be permitted to point out for the record that the Mr. Speaker to whom I am referring is not in the chair at the moment but, rather, Your Honour Mr. Deputy Speaker, which makes it easier for us to speak in glowing terms about His Honour the Speaker of this House of Commons.

It seems to me that the point in the Winnipeg *Free Press* editorial is well taken. This is a matter that we should not leave until a month or two before the next election. We have a Speaker of whom we are all extremely proud, one who guides this House effectively, with tremendous impartiality, and I think there is complete agreement in the House and it would be most desirable to have His Honour the present Speaker preside over us in the next Parliament. There are various ways by which this can be achieved. I have put forward a proposal in the form of a public bill, but that is not the only way it can be done and in rising here tonight I am not speaking with respect to that bill. I simply want the assurance that the matter of doing something will be considered. I am really asking for no more at this time than I put in my question to the Prime Minister on March 23, namely, that appropriate discussions on this matter not be delayed.

I suggest two levels at which discussions should take place. The Prime Minister (Mr. Trudeau) can call in the leaders of the other parties and have such a discussion, or if he should feel it more appropriate, at least as a beginning, he could ask the House leaders of the various parties to have that discussion. I am sure I speak for the House leaders on this side of the chamber when I say we are quite willing to do so.

Therefore I put it forward tonight, Sir, without trying to pin down any specific way of dealing with the problem but simply to ask the government House leader—and I hope he will do it—to give the assurance that appropriate discussions will be held soon so that something may be done about this important matter while there is yet time.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, my remarks will be quite brief because of the short time available. I respond to the question raised by the hon. member for Winnipeg North Centre (Mr. Knowles) first of all by saying that in the analysis of the operations of the House of Commons that are frequently conducted, sometimes the influence of the Speaker in establishing the mood of the House is overlooked. It is a fact, nevertheless, that in addition to the other parts of the House, the government and opposition parties, the Speaker wields an influence which may be as great if not greater at times than that wielded by any of the other parts of this institution.

I have had the opportunity to observe four Speakers in this House and I believe each has made a valuable contribution to the institution. In general, I think we can be satisfied that in Canada the speakership as an institution has operated effectively over the years. Because we have as a House acted to strengthen the hand of the Speaker,

one of the most important moves being to abolish appeals to the House from Speakers' rulings, a status has been ensured for the Speaker which he had not enjoyed.

I share the hon. member's feelings about the present incumbent and the feelings expressed in the editorial he quoted. I believe it was because of an appreciation of his qualities that the House at the beginning of this Parliament again unanimously selected him to be the presiding officer of the House. Because of that expectation, in the last federal election he ran as an independent candidate in his constituency and, as I understand it, was unopposed by any of the parties in an official sense. I believe a candidate ran against him but this candidate was not sponsored by any of the leaders presently in this House. That was a general manifestation of the desire of the political process to maintain the present Speaker in office. I hope the hon. member for Winnipeg North Centre has not ruled out that procedure as one of the options or appropriate steps he would suggest as a way to ensure the continued occupancy of the chair by the present incumbent.

• (10:10 p.m.)

Before the question was asked, and since, I have attempted to study some of the literature on the subject of a permanent speakership. It has been a difficult subject. As my hon. friend knows, at one time the British established a select committee to determine how appropriate steps could be taken to reach the goal of a permanent speakership. Men like Winston Churchill were on that committee, but the final result was that the system then in vogue was recommended for retention. It so happened that many Speakers of the British House continued in office despite the intrusion of elections, which they invariably won. The British system would demonstrate that the Speaker, certainly in Britain, has had no difficulty in maintaining his seat and the electorate has understood his importance in the system.

Mr. Deputy Speaker: Order. I regret that I must interrupt the minister. As a matter of fact, I have been a little generous and he has had a little more time than he is entitled to under the Standing Orders.

* * *

[*Translation*]

SOCIAL SECURITY—QUEBEC—ALLEGED APPROPRIATION OF GUARANTEED INCOME PENSION SUPPLEMENT BY GOVERNMENT

Mr. Gérard Laprise (Abitibi): Mr. Speaker, on April 5 last, I asked the Minister of National Health and Welfare (Mr. Munro) if there was an agreement between the Quebec government and the federal government since the Quebec government was taking over the increase in the guaranteed minimum income supplement paid to our senior citizens.

I had then no time to explain but I will do it tonight.

The hon. members will remember that before the Christmas recess, the House adopted a legislation increasing from $31.83 to $55 per month the guaranteed income supplement for senior citizens aged 65 or more and without any other income. This involved therefore a monthly increase of $23.17.

Now, in the Province of Quebec, the Social Security Act, better known as the Social Welfare Act, provided for a supplement, especially when only the husband or the wife had reached retirement age.

This supplement varied, I repeat, from $1 to $30 per month, and sometimes a little more.

But as soon as the federal legislation increasing the guaranteed income supplement was passed, the Quebec government took steps to take away from old people a portion or all of the supplement granted, so that a couple or a single person did not receive more than before.

I will quote as an example the case of a lady from La Sarre, who had been granted by Quebec, after many attempts, a supplement of $20 a month. As early as December 1970, the government of Quebec took away from her this supplement of $20 which she required to meet her needs. After a few representations to the provincial department involved, it agreed to restore this supplement. But, as early as the day after the cheque was received, the officials of the La Sarre office took it away from this lady through means that I will call disgusting.

I could quote many similar cases where almost everybody received a supplement from the province of Quebec. The supplements have been cancelled or reduced according to the increased guaranteed income supplement from Ottawa. I am aware that my colleagues in the House know also of similar cases and are shocked by the Quebec government's attitude towards older people. This means that the Quebec government appropriates, so to speak, the increase granted by the federal government, since the older people will not get more money than they did before.

Therefore, I should like to ask the minister if there was an understanding between both governments for Quebec to proceed in such a way; it seems an indirect means by which a province is granted larger revenues.

Since the federal government cannot interfere directly with the decisions taken by the provincial governments as regards social security, perhaps the Minister of National Health and Welfare (Mr. Munro) should at least try to come to an understanding with the provinces with a view, first of all, to gradually to lowering the age for eligibility to the old age security pension down to 60, as was the case when the retirement age was lowered from 70 to 65.

Besides, the government should grant the old age security pension to any person whose spouse receives such pension, even though that person has not reached the age provided in the act. This would dispel much worry and hardship for those couples in which only one spouse gets a pension.

If we intend to establish a really just society, let us avoid inequities and provide as much satisfaction as possible to those who, during their whole life, contributed to the development of their country, and this sometimes in

wretched conditions. At least, let us recognize the fact and let us provide them with a little well-being on their retirement, and spare them the feeling of being crushed and a burden to others. Mr. Speaker, I am sure that nobody will have to stint in order to provide more security for those people.

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, the hon. member's reference to the guaranteed income supplement to the old people in Quebec suggests that he misunderstood the matter. No pressions were put on Quebec to have it administer the guaranteed income supplement for older people.

Since we are on this subject, I should like to mention that the federal government increased by over 50 per cent the amount of the income supplement for older people in Canada. Since legislation to that effect was enacted in December, the increases in the supplement will ensure that no qualified married couple will receive less than $255 per month and no qualified single person, less than $135. Moreover, these increased benefits came into force at the beginning of this month.

[*English*]

NATIONAL PARKS—ELK ISLAND—ANIMAL STARVATION—FAILURE OF WILDLIFE SERVICE TO DIRECT REDUCTION IN ELK POPULATION COMMENSURATE WITH FEED SUPPLIES

Mr. Don Mazankowski (Vegreville): Mr. Speaker, my purpose in raising the question of the starvation of animals in Elk Island National Park is simply to impress upon the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Buchanan) the request that a full and complete investigation be conducted into the actions of the Canadian Wildlife Service and the parks administration with respect to the discharge of their duties and responsibilities; also, of course, to seek an assurance from the minister that what transpired in Elk Island Park during last winter will not be allowed to recur.

I raised the matter on March 2, 1971, when as reported at page 3865 of *Hansard* I asked whether the minister was aware of the situation in Elk Island Park and whether action was being taken toward alleviating the situation there. The minister replied that he was aware of it; the problem was due to the early winter, heavy snowfalls and hardening of the top layer. He referred to the fact that a number of animals had already died and said:

> —the officials of my department have arranged for the conveyance of six tons of feed daily in the park, in order to help the animals to survive throughout the winter which has been as hard for them as for us.

The assurance was given by the minister that a feeding program was to take place. However, upon checking with the officials of the park and Canadian Wildlife Service personnel it was pointed out that a feeding program was against sound management of wildlife principles, particularly at a time when the animals were suffering from gross malnutrition. It is obvious, therefore, that a feeding program was not conducted. There was a feeding program of a sort, but not pertaining to the elk, and this is the question with which I am basically concerned.

In my opinion, the park administration and the Canadian Wildlife Service attempted to mislead the public into believing that politicians, self-styled experts and the public were becoming overemotional and panic-stricken. They merely suggested that nature in its raw form was cruel and that a natural culling-out process was desirable even though it meant that animals would suffer. I suppose one could accept this if the park contained all the attributes of a natural habitat. I suppose one could accept it more if there were abundant supplies of natural feed in the park. But this is not the case. I have examined the situation personally with the assistance of biologists who are familiar with the feeding and maintenance of wildlife in a park such as Elk Island.

• (10:20 p.m.)

Then, of course, the situation was compounded by a bad winter. That is the only argument that the members of the Canadian Wildlife Service and the park officials have put forward. They contend that the whole difficulty has resulted from a severe winter. We examined the park, and it is clearly evident that there is insufficient food available to support a population of something like 1,500 animals. This leaves two courses open to the authorities. They can either follow a population reduction process or undertake a feeding program. The Canadian Wildlife Service, according to information that I have received, recommended neither course. I understand that the park administration and the Canadian Wildlife Service has stuck to the argument that if they were to commence a feeding program they would be going against principles of sound wildlife management, and have rejected that course.

With regard to reduction of the elk population, this usually takes place in the form of a fall slaughter. The meat is processed and distributed to needy people, to hospitals, to Indians and Métis. Elk Island has an excellent abattoir and processing facilities. This could have been done easily. One slaughter was conducted in 1969. Even though it was obvious that supplies of food were glaringly short in 1970, no appreciable reduction in the wildlife population was recommended in 1970. It therefore seems to me that there has been a glaring lack of proper evaluation. I would go so far as to say that there has been a dereliction of duty, either on the part of the Canadian Wildlife Service or the park administration, or at least there has been lack of co-ordination. I do not believe that developments such as this should be allowed to take place. I do not believe we should tolerate them in this day and age.

This reminds me of a situation that developed only 20 miles from Elk Island Park. A farmer was brought to court and charged with starving his horses which were left unattended and without adequate feed. That is much the same type of situation as we have here. That man was charged, and yet in a park being administered by federal officials this sort of thing has been allowed to

happen. May I refer to another situation which seems to be paradoxical. As a result of emotion and the hue and cry of the public we face a situation in which the seal industry may be practically destroyed because people are concerned about cruelty. But in Elk Island Park animals are deliberately being allowed to die, to suffer from starvation, as a result of the administration of federal officials. I say that this is a case for the humane society to investigate and of course, for the minister himself to look into.

Some hon. Members: Hear, hear!

Mr. Mazankowski: In my opinion there has been a dereliction of duty. I believe that the Canadian Wildlife Service and the park administration must accept full responsibility for what is happening and not pass it off as something that has happened simply because of a hard winter. I have lived in the area all my life and have never seen a situation like this in 35 years. So I say that they are responsible for mismanaging and for estimating inaccurately what the animal population ought to be in relation to the available food supply. I urge the parliamentary secretary to use his influence and good offices and impress upon the minister the necessity of looking into the situation and investigating it thoroughly in order that we may prevent a recurrence of this situation.

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I will be very happy to draw the hon. member's representations to the attention of the appropriate individuals. However, as the hon. member has indicated, the animal population of Elk Island Park is controlled through the periodic slaughter of surplus animals. It was indicated that the last such slaughter took place in the fall of 1969. In the fall of 1970, one year later, studies indicated that the animal population had not grown to a sufficient extent to warrant another kill. At that point officials were anticipating normal winter conditions.

Unfortunately, this winter has been a particularly severe one. Although large areas of the park still contain adequate forage, there are limited areas which have been overgrazed and overbrowsed. The main problem this winter has been occasioned by a heavy crusting on top of the snow. The initial crusting occurred after a thaw in January but really severe conditions did not develop until after a thaw which occurred in mid-February. This crusting condition made it very difficult for the animals to move about in search of food.

Mr. Paproski: We know the weather report. Get on with it.

Mr. Buchanan: Consequently, the animals became virtually penned into very small areas by the crusted snow with the resultant overgrazing of the limited areas in which they became corralled. Park officials first became concerned about this situation and inaugurated a feeding program on February 6. As the condition became more severe, the amount of feed was increased until it reached between seven and eight tons per day. The weaker animals are always subject to winter stress and there is usually a mortality rate of approximately 4 per cent.

Mr. Mazankowski: It was more than double this year.

Mr. Buchanan: Because of the severe conditions it is expected that this mortality will amount to approximately 8 per cent this year. The total number of animals in the park is approximately 1,500. We feel this condition resulted mainly because of the heavy crusting which was not anticipated. I do not think it is reasonable to expect that the officials of the—

Mr. Deputy Speaker: Order, please.

Motion agreed to and the House adjourned at 10.30 p.m.

HOUSE OF COMMONS

Wednesday, April 7, 1971

The House met at 2 p.m.

PRIVILEGE

MR. TRUDEAU—CLARIFICATION OF ANSWER RESPECTING CORRESPONDENCE FROM MEMBERS OF ROYAL COMMISSION ON BILINGUALISM AND BICULTURALISM

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like to take this first opportunity to rise on a question of privilege to clarify an answer I gave in the House yesterday on the subject of correspondence from members of the Royal Commission on Bilingualism and Biculturalism. At page 4946 in *Hansard* I reported that there was no further exchange of correspondence beyond that already tabled by myself in the House on March 17. This correspondence consisted of letters to me from the co-chairmen of the commission dated March 1 and a reply which I sent to them on March 11.

In giving my answer yesterday I was doing so with particular reference to questions from the hon. member for York South who wished me to consider tabling any correspondence relating to the conclusion of the work of the commission which was exchanged between one or both of the joint chairmen and myself or any other minister of the Crown.

On April 5, at page 4898 of *Hansard*, the hon. member said:

> I am interested particularly if there is correspondence which sets out the reasons the commission decided not to produce its final report—all that kind of thing—so that all the information may be before Parliament and the people.

I repeat today that the correspondence tabled on March 17 contained the only letters I personally have received concerning the reasons for the decision of the commission not to proceed with its final report.

Yesterday, Mr. Speaker, the hon. member for Peace River asked if I had received a letter from Professor J. B. Rudnyckyj, who was a member of the commission. I indicated I was not aware of such a letter but would look into it and see whether it had been received and might be tabled. I have received this letter and at the appropriate time in the proceedings, perhaps in motions, will be pleased to table it.

I should like to point out to hon. members that Professor Rudnyckyj wrote his letter to me on March 16, several days after the exchange of correspondence between myself and the co-chairmen of the commission. His letter was postmarked March 26, received by my office on March 30 and acknowledged on April 2. I first became aware of it when it was drawn to my attention by the hon. member for Peace River and later by my office.

Mr. Baldwin: I am always glad to oblige, Mr. Speaker.

MR. HAIDASZ—WORLD HEALTH DAY—FIFTIETH ANNIVERSARY OF DISCOVERY OF INSULIN

Mr. Stanley Haidasz (Parkdale): Mr. Speaker, I rise on a question of privilege. I would like to bring to the attention of all hon. members that today is world health day and its theme is "a full life despite diabetes". In 1921 Frederick Banting and Charles Best discovered insulin at the University of Toronto. Today the World Health Organization is commemorating the fiftieth anniversary of this great medical discovery which has brought improved health and extended life for many diabetics and also provided a great stimulus to medical research. On this occasion while we pay tribute to Banting, Best and their collaborators in their efforts to conquer diabetes, I express the hope that Canadians will increase their support for medical research.

Some hon. Members: Hear, hear!

Mr. Speaker: I realize the importance of the statement made by the hon. member but may I suggest at this point, without reflecting in any way on the substance of the comments made by the hon. member for Parkdale, that the reading of such statements is highly irregular. Even when an hon. member gives to the Chair notice of his intention to raise a question of privilege, it is difficult for the Chair to determine whether there is a valid question of privilege. The statement, of course, has nothing to do with privilege. I suggest to hon. members that it is not proper to make that kind of comment at the opening of the proceedings of the House.

MR. SKOBERG—SAFETY OF RAIL OPERATIONS IN FRASER VALLEY

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, in rising on this point of utmost urgency and privilege I should like to point out that last September the Railway Transport Committee of the Canadian Transport Commission established a public inquiry to look into the causes and circumstances surrounding accidents on Canadian railways. Because of the heavy workload of the commissioners, delays have occurred in the hearings. The next sitting will not be until May, which delay can only contribute to an explosive issue. Mr. Speaker, slowdowns and work stoppages in rail operations have occurred in the mountain regions and are largely attributable to unsafe conditions in the Fraser Valley. Actually, the bodies of the three crew members lost in the accident some time ago have still not been recovered from the Fraser River.

Further railway mishaps of the kind that occurred on Monday can only result in family tragedies, discontent and militant action by the rank and file of all railway operating personnel. This can only result in a disruption

of normal rail service and affect our entire economy. If Your Honour finds that I have a prima facie case of privilege, I should like unanimous support for the following motion which I wish to move:

That this House call upon the Minister of Transport and the Minister of Labour to initiate an immediate on the spot inquiry into safety of rail operations in the Fraser Valley in British Columbia.

Mr. Speaker: Order, please. Again, I suggest to the hon. member that his comments do not relate to privilege. The hon. member might have raised the matter by way of a motion under Standing Order 43. I fail to see how the question he has raised in any way affects his privileges as a member of this House. I will not in any way reflect on the importance of the matter raised by the hon. member which has been brought to the attention of the House, but I suggest to him that there is no privilege. It might have been appropriate, more proper and more in keeping with the Standing Orders if that motion had been proposed under the terms of Standing Order 43 rather than under the heading of privilege. Of course I must rule that there is no prima facie privilege and, accordingly, no motion can be put to the House at this time.

• (2:10 p.m.)

ROUTINE PROCEEDINGS

[*Translation*]

COMMITTEES OF THE HOUSE

TRANSPORT AND COMMUNICATIONS

Second report of Standing Committee on Transport and Communications, in the two official languages—Mr. Lessard.

[*English*]

NATIONAL RESOURCES AND PUBLIC WORKS

Fourth report of Standing Committee on National Resources and Public Works—Mr. Hopkins.

AGRICULTURE

Fourth report of Standing Committee on Agriculture—Mr. Beer.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

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FINANCE

TABLING OF REPORT BY PRICES AND INCOMES COMMISSION ON BANK SERVICE CHARGES

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I am pleased to table two copies in each of the official languages of the report of the Prices and Incomes Commission entitled "Bank Service Charges".

[Mr. Skoberg.]

[*Translation*]

REGIONAL ECONOMIC EXPANSION

TABLING OF REPORT OF ATLANTIC DEVELOPMENT COUNCIL

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, pursuant to Standing Order 41(2), I wish to table, in the two official languages, two copies of the Atlantic Development Council report entitled "A Strategy for the economic development of the Atlantic region in the 1971-81 period", which I received yesterday.

* * *

BILINGUALISM AND BICULTURALISM

TABLING OF LETTER FROM COMMISSIONER RUDNYCKYJ

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, pursuant to Standing Order 41 (2), I wish to table copies of the letter received from Professor Rudnyckyj, a member of the Royal Commission on Bilingualism and Biculturalism.

* * *

[*English*]

COMMUNICATIONS

TABLING OF "INSTANT WORLD", GENERAL REPORT OF TELECOMMISSION—STATEMENT BY MINISTER

Hon. Eric W. Kierans (Minister of Communications): Mr. Speaker, I am pleased to present to the House today "Instant World", the general report of the Telecommission. The tabling of this document and its release to the public marks the completion of the first and perhaps the most difficult phase of a process of study and consultation on the state of communications in Canada, and on the needs, present and future, of the Canadian people. This first phase began more than a year ago when the Telecommission was launched on September 18, 1969. The next step in this process will end when I come before the House to present the government's white paper on telecommunications policy and regulation.

[*Translation*]

The telecommission report was intended from the outset to serve as a mechanism for the collection of information and opinions on the basis of which proposals could be formulated to solve Canadian telecommunication problems. This means that the document presented to Parliament today does not contain officially endorsed views of the federal government nor a key to its future policy. With the publication of this vast store of information, it is expected that the government will be able to proceed in a short time with the preparation of a white paper which will define the government's policy on telecommunications.

We will now begin immediately a process of further consultation with the representatives of provincial governments, private industry, users and other interested groups. As Minister of Communications, I will participate directly in these consultations, as will senior officials of my department.

[*English*]

Because the Telecommission report is to date the most complete and most coherent discussion of telecommunications problems and opportunities in Canada, I earnestly commend it to the attention of all members of this House and to all Canadians who have an interest in the rational and equitable development of telecommunications facilities in our country.

This document represents the final distillation of the work of 43 separate study groups. It represents an almost unprecedented collaboration of hundreds of individuals, groups, institutions, departments and agencies of government, private firms and universities. The object of this work was to collect all the information possible on which to base sound judgments in the months and years ahead. The next step in the continuing search for better arrangements and better policies will be, as I have said, the white paper.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, the minister has expressed the hope that we will all read the report carefully. I can assure him that we shall. I am particularly tantalized by his use of the words "white paper", and I shall read the report with great care in the hope that it may include some method of getting through to the Minister of Finance (Mr. Benson).

Mr. David Orlikow (Winnipeg North): Mr. Speaker, we have not, of course, yet had an opportunity to read "Instant World", a document which was certainly not prepared instantly. The whole field is a tremendously complex one.

The minister in his statement talked about the need for the equitable development of telecommunications facilities in our country. This will not be easy to achieve. We see, for example, that common carriers such as Bell Canada would like to expand into areas concerned with computers and data processing. If they can do so this would, in effect, prevent the development of a separate computer industry. We see the uncontrolled development in recent years of cable television systems in such a way as to threaten the continuation, let alone the development, both of the CBC and the private CTV television networks and their ability to produce programs and obtain the advertising necessary to pay for those programs because of the fragmentation of the market which has followed the widespread proliferation of cable television systems. These are just two examples within the telecommunications field of the tremendous problems we face.

We shall, of course, read the report with a great deal of interest. We trust that in addition to posing questions with which most of us are already familiar it will offer some solutions, some answers, to the problems we face.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, in short, in his statement the Minister of Communications (Mr. Kierans) announced the publication of another white paper which will define the future government policy about telecommunications.

Request for Skagit River Valley Study

Now I would like to remind my hon. colleagues of the various stages the government went through before really doing something.

On September 18, 1969 it announced the establishment of the Telecommission to undertake a process of study and consultation on the state of telecommunications in Canada and on present and future needs of the Canadian people in this field. To this end, the government formed over 43 separate study groups.

On April 7, 1971 it tabled in the House of Commons the conclusions of those studies that do not express the official opinions of the federal government nor what policy it intends to follow in this field.

Later, the government will begin, and I quote:

a process of further consultation with the representatives of provincial governments, private industry, users and other interested groups.

Those studies and consultations will result in the presentation of a white paper on the subject.

The publication of a white paper does not constitute a concrete policy; it is merely a means whereby the government can probe public opinion and encourage interested parties or groups to make what remarks they feel are timely.

I therefore regret that the minister did not, in his statement today, give us an exact date on which a Canadian telecommunications policy could be implemented. I feel that studies and research must not be neglected in that field. But it seems that such studies and research works have become an excuse for the government not to take real action. I believe there are problems related to the provinces which the government is keeping from us.

Canada greatly needs a national policy taking regional or provincial characteristics in the field of telecommunications. The importance of that field is undeniable. Mr. Speaker, and its implications for our economic, political, social and particularly cultural life will be considerable. To be sure, there should be nothing left out in the preliminary stage consisting in research and studies, but this stage should not be indefinitely drawn out to serve as an excuse for lack of action and of a specific and up-to-date policy.

Finally, Mr. Speaker, the report will no doubt get the full attention of members of our group, but the minister's evasive statement only increases our impatience for the adoption by Canada of a modern policy, taking into consideration rights and interests of the provinces in the very important field of telecommunications.

* * *

• (2:20 p.m.)

[*English*]

POWER

SKAGIT RIVER VALLEY—TABLING OF REFERENCE TO INTERNATIONAL JOINT COMMISSION—STATEMENT BY MINISTER OF FISHERIES AND FORESTRY

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I wish at this time to table in the

two official languages the text of the Skagit River reference which has been jointly agreed upon by the governments of Canada and the United States and is being formally communicated by the two governments to the International Joint Commission.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, my colleague the Secretary of State for External Affairs (Mr. Sharp) has just tabled the text of a joint reference by the governments of Canada and the United States to the International Joint Commission. In this joint reference our two governments ask the International Joint Commission to study the environmental consequences of further flooding in the Skagit River Valley in British Columbia. This study is concerned with the ecology of the Skagit Valley and the consequences, in environmental terms, of raising the Ross dam in the state of Washington.

The International Joint Commission has been asked to report on the nature, scope and impact of the raising of the dam and to recommend measures for the protection and enhancement of the local environment, all of this to be consistent with its order of approval given for the raising of the Ross dam back in 1942.

It is becoming increasingly clear that decisions to build dams and raise water levels should be taken after there has been a thorough investigation of the environmental consequences. Since the Skagit River flows across the international boundary, the Canadian government has a special responsibility in this regard.

There is widespread concern about the environmental consequences of raising the Ross dam in my own home province of British Columbia. In our discussions with the United States we found that the U.S. government was also sympathetic to this concern and it agreed that the best way to proceed was to request the International Joint Commission to organize and carry out a detailed study on the basis of which it would make recommendations to all concerned. The International Joint Commission has a long tradition of helping our two countries to resolve problems along our boundary and it is experienced in dealing with environmental questions in boundary water areas.

It is the usual practice of the International Joint Commission, in carrying out investigations of this kind, to draw on the expertise of governments at the federal, provincial and state levels. The Canadian government will, of course, be glad to make available to the International Joint Commission such information and staff as the IJC may request in this connection.

I expect that the International Joint Commission, in accord with its normal procedures, will hold public hearings prior to making its recommendations to government. It will, of course, be up to the commission to announce the timing and location of these hearings. These hearings will provide an opportunity for private groups and individual citizens to make their views heard.

I might add that I have informed the Minister of Lands, Forests and Water Resources of British Columbia about this reference to the International Joint Commission and he has told me that his government supports this inquiry.

It is my hope that this study by the International Joint Commission can be launched without delay. Because a good deal of information is already available I also expect that the IJC will be able to complete its investigations and make its recommendations to the Canadian and United States governments before the end of October, 1971.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, when the minister speaks of concern in his native province about the flooding of the Skagit valley he is certainly not exaggerating; in fact, in my opinion he is indulging somewhat in understatement. If I may express a personal opinion, I think it would be a great misfortune if this valley were flooded. The proposal to do so obviously results from a decision made in former days when the preservation of the valley did not seem to be of very much consequence, but today it does not seem to me good economic sense to flood the valley for the purpose described, and certainly in terms of environmental considerations it does not seem to make any sense at all.

Quite frankly, Mr. Speaker, we have to consider the significance of the reference to the International Joint Commission upon which the two governments have agreed. The commission is asked to make recommendations for the protection and enhancement of the environment not inconsistent with its order of approval of 1942, and the agreement between Seattle and the province of British Columbia of 1967. In other words, Mr. Speaker, it seems very clear that the International Joint Commission is not even asked to make any recommendations involving the withdrawal of permission to flood the Skagit Valley. The only recommendations that the commission is authorized to make under this reference concern the protection and enhancement of the environment consistent with the authorization granted in 1942.

It is quite interesting to read the reference with some care, Mr. Speaker. In the first paragraph it says:

> The commission is requested
> (a) to investigate the environmental and ecological consequences—

Of the flooding, and so on. These are quite broad investigative procedures. The second paragraph invites the International Joint Commission:

> —to report on the nature, scope and impact of these consequences;

This could be quite a broad reference in terms of investigation and reporting.

But the significant and important paragraph is that authorizing the commission to make recommendations. Clearly the recommendations seem to be limited to recommendations which are consistent with the order of approval dated January 27, 1942. Therefore I have to ask the minister whether my impression is wrong when I draw the conclusion from these terms of reference that the International Joint Commission is not authorized to

make any recommendations which would eliminate the flooding of the Skagit Valley, and that the recommendations therefore can only relate to measures that the commission might recommend to reduce the environmental consequences of the flooding.

This is the way I interpret the reference, having read it as carefully as I have been able to in the short time I have had. No authority is given to the commission to reopen the decision of 1942 or to withdraw in any way the right that was granted then and in subsequent orders and agreements regarding the flooding of the Skagit Valley. The commission is simply authorized to recommend ways and means to reduce the damage that may occur in the process.

This is how I read the reference, Mr. Speaker. I must add, and I hope I am not being unfair when I say it, that it was snowing when I went into the Skagit Valley but still I was able to see it and, Mr. Speaker, I have the distinct impression it is snowing in the House of Commons today.

• (2:30 p.m.)

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, the Skagit Valley controversy has become a symbolic one for British Columbians. More and more British Columbians are and have become alarmed and aroused at the prospect of the Skagit Valley being flooded for the purpose for which it is to be flooded. It has become symbolic because Canadians by and large are no longer content to be but hewers of wood and drawers of water for our friendly neighbours to the south.

Our interest in this issue goes back for some time. Over a year ago I received a reply from the Secretary of State for External Affairs (Mr. Sharp) in which he indicated that before any final approval could be given an application would have to come before the Federal Power Commission in the United States and the Department of Energy, Mines and Resources in Canada. Apparently the government is no longer holding to this particular view. I can only guess at the reasons behind the change.

On both sides of the border conservationists and ecologists are beginning to take concern for the environment beyond the stage of mere dilettanteism and have built up mass support for a better quality of life. We are beginning to agree that the preservation of our environment has a real value superior to the despoilation or exploitation of a particular area for a specific purpose. Environment has a value in itself and should be preserved.

The government obviously has preferred the International Joint Commission rather than some other independent body to study this particular issue. The IJC would be the best vehicle by which—and I hope I am wrong—to accomplish a six months' delay. Certainly some of us would like to see the 1942 and 1967 agreements negated. I refer both to the one which came about first of all with IJC approval in 1942 and the other between Seattle City Light and the British Columbia government in 1967. The government is very sensitive in dealing with the IJC because any suggestion that the IJC was being interfered with by government would upset a number of other questions under the commission's responsibility all along our long and so far undefended border.

The government of Canada has the power to negate the agreement outright but has chosen this other device. I am certain this other device will please the premier of British Columbia because it will take him off the hook. I think it will appeal to him also because this is an ostensible second look at the problem and the IJC which approved the matter in the first place is now to continue the study. In other words, there is not to be a disinterested appellate review conducted here. Some of us could be excused for being a little cynical and for believing that this proposed investigation might be little more than a whitewash, an appearance of action or pseudo-action.

I think the House would have been in a much better position to make some decision on this matter if the Minister of Fisheries and Forestry (Mr. Davis) had indicated whether or not he had discussed with the government of British Columbia the cost of renegotiating or getting out of the agreement completely. It seems to me there could have been a federal-provincial sharing of the $8 million already spent by Seattle City Light. I might also mention the matter of the annual compensation to British Columbia of a pitiful $35,000 when we know that the downstream benefits should have produced at least $1 million according to the Columbia River formula.

I see you are becoming a bit impatient, Mr. Speaker, and I promise to wrap up my remarks forthwith. I believe the Leader of the Opposition (Mr. Stanfield) put his finger on the point that this is an ecological study only since we have no assurance that it is anything beyond that and there is nothing to indicate that the project will not go ahead regardless of the Commission's findings. In conclusion may I say that it does not really matter how many hearings or studies are conducted because the vast majority of the people of British Columbia want the proposed plan to flood the Skagit River Valley stopped and stopped completely.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, as one of the first references to this matter goes back to the Speech from the Throne of October 13, 1970 and that it was mentioned on many occasions, we are happy to note that an inquiry has been requested by the International Joint Commission to establish the probable consequences of raising the level of Ross Lake in British Columbia.

Obviously, if this would happen, our country would suffer, but I believe that the International Joint Commission is ready to carry out a serious study and to consult environmental experts and others to assess the possible consequences of this action so that this will not happen and that the City of Seattle will find other sources for its electricity.

Possible Closing of Canadair

• (2:40 p.m.)

INDUSTRY

POSSIBLE CLOSING OF CANADAIR—REQUEST FOR CONSENT TO MOVE MOTION TO ADJOURN UNDER S.O. 43

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I request leave to move the adjournment of the House, under Standing Order 43, to discuss a question which has not yet been considered in the House, and which is extremely important.

At the present time 29 subcontractors of Canadair are in a very poor financial situation and will have, all or most of them, to lay off most of their employees, which might put several thousand people out of work in a few days. Indeed, the Aero Machine Parts Company, in Longueil, will have to do so either today or tomorrow.

That situation, Mr. Speaker, is brought about by the precarious situation of Canadair, which had 10,000 employees in 1968, at the time we were promised a "just society", 3,900 in April 1971 and 1,900 by the end of—

Mr. Speaker: Order. I must interrupt the hon. member and ask him to state the meaning of his motion as soon as possible. May I suggest at the same time that the procedure he is following seems to be slightly out of order. The hon. member is proposing that the business of the House be adjourned under Standing Order 43, so that an urgent question may be discussed. A motion of this kind should be made under Standing Order 26 and not under Standing Order 43 and requires furthermore the regular notice. If the motion is moved under Standing Order 26, the notice I just referred to must be forwarded to the Chair in written form within the deadline provided for in the Standing Order and then the statement of the hon. member must be limited to a few sentences.

The hon. member seems to have merged both Standing Orders and is using the best of two worlds to make a statement which I feel is rather lengthy. I woold therefore suggest that he indicate as soon as possible the nature of the motion he wishes to put forward.

Mr. Rondeau: Mr. Speaker, I wanted to show the importance and urgency of my question and to request the unanimous consent of the House, because at the end of 1971, there will only be 1,900 employees at Canadair—

Mr. Speaker: Order. I must interrupt the hon. member and ask him to come to the point. If he does not accept the suggestion of the Chair, he will not be allowed to present the motion or to indicate to the House the substance of his motion.

I invite the hon. member to co-operate with the Chair and to consider that all hon. members generally who present motions under Standing Order 43 abide not only by the letter but also by the intent of this rule, and content themselves with making very brief statements explaining the urgency of the question.

[Mr. Laprise.]

Mr. Rondeau: Mr. Speaker, I request the unanimous consent of the House to propose my motion, in view of the very critical and very important situation of the closing in a few days of a major company, Canadair of Montreal.

Mr. Speaker: The hon. member has not yet indicated the meaning of his motion. At all events, I take it for granted that he is suggesting that this House adjourn for the purpose of considering the important and urgent matter to which he has just referred, and I invite the House to indicate whether there is unanimous consent pursuant to Standing Order 43.

Some hon. Members: No.

Mr. Speaker: The hon. member will have noted as I did that there is not unanimous consent. Consequently, the motion that the hon. member intended to present to the Chair cannot be considered by the House at this point.

[*English*]

Mr. Skoberg: Mr. Speaker, I rise on a point of order. I was rising to present a motion under Standing Order 43.

Mr. Speaker: I recognize that the hon. member intends to follow the suggestion made by the Chair that he will move a motion under Standing Order 43, but we are still on motions and at this point I recognize the President of the Privy Council, following which I will recognize the hon. member for Moose Jaw.

* * *

HOUSE OF COMMONS

EASTER RECESS—ADJOURNMENT FROM APRIL 7 TO APRIL 19

Hon. Allan J. MacEachen (President of the Privy Council) moved:

That when this House adjourns on April 7, 1971, it shall stand adjourned until April 19, 1971, provided always that if it appears to the satisfaction of Mr. Speaker, after consultation with the government, that the public interest requires that the House should meet at an earlier time during the adjournment, Mr. Speaker may give notice that he is so satisfied, and thereupon the House shall meet at the time stated in such notice, and shall transact its business as if it had been duly adjourned to that time;

[*Translation*]

And that, in the event of Mr. Speaker's being unable to act owing to illness or other cause, the Deputy Speaker or the Deputy Chairman of the Committees shall act in his stead for the purpose of reconvening the House.

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

Some hon. Members: Agreed.

Motion agreed to.

[*English*]

TRANSPORT

SAFETY OF RAIL OPERATIONS IN FRASER VALLEY—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I indicated the urgency of my motion when I spoke earlier and I will not repeat what I said. I now ask leave under Standing Order 43 to present the motion that I read earlier, which is as follows:

That this House call upon the Minister of Transport and the Minister of Labour to initiate an immediate on the spot inquiry into safety of rail operations in the Fraser Valley in British Columbia.

Mr. Speaker: The House has heard the motion proposed by the hon. member for Moose Jaw. Is there unanimous agreement under Standing Order 43?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity and therefore the motion cannot be put.

Mr. Rowland: I rise on a point of order, Mr. Speaker. I wonder whether you could perhaps prevail upon the Secretary of State or the Minister without Portfolio who assists him in his duties to make a statement before we leave motions on the Opportunities for Youth program and, specifically, the criteria being employed since there is considerable confusion and this is the last day on which the government can make such an announcement prior to the closing of applications.

Mr. Speaker: Order, please. The hon. member will appreciate that it might be difficult for the Chair to prevail on a minister for the purpose suggested by the hon. member. I suggest to the hon. member that he might attempt to do his own prevailing.

* * *

BROADCASTING ACT

AMENDMENT TO PROHIBIT ADVERTISING ON CHILDREN'S TELEVISION PROGRAMS

Mr. James A. McGrath (St. John's East) moved for leave to introduce Bill C-237, to amend the Broadcasting Act (advertising on children's programs).

Some hon. Members: Explain.

Mr. McGrath: Mr. Speaker, this bill reflects the growing excessive nature and the alarming increase in commercial advertising directed at children on television. It would have the effect of prohibiting such commercial advertising. But the immediate objective would be to have the bill referred to an appropriate committee where the subject matter could be studied by Parliament.

I know that all hon. members support this bill, including the Minister of Consumer and Corporate Affairs.

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

Mr. Speaker: When shall the said bill be read the second time?

Mr. McGrath: By leave, now?

Mr. Speaker: The bill can be read a second time now only by unanimous consent. The suggestion has been made that second reading take place at the next sitting of the House. Is this agreed?

Some hon. Members: Agreed.

* * *

THE ROYAL ASSENT

Mr. Speaker: I have the honour to inform the House that a communication has been received which is as follows:

Government House, Ottawa

7 April, 1971

Sir,

I have the honour to inform you that the Right Hon. Gérald Fauteux, P.C., Chief Justice of Canada, in his capacity as Deputy Governor General, will proceed to the Senate Chamber today, the 7th of April, at 5.45 p.m., for the purpose of giving Royal Assent to certain Bills.

I have the honour to be,
Sir,
Your obedient servant,
Louis-Frémont Trudeau
Brigadier General
Assistant Secretary to the Governor General.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CBC PAYMENTS FOR FOOTBALL BROADCASTING RIGHTS

Question No. 740—**Mr. Nowlan:**

How much has CBC paid in each of the past five years, up to and including the 1970-71 estimates for (a) American professional football broadcasting rights (b) Canadian Football League broadcasting rights?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: (*a*) There were no rights payments involved. U.S. games were received by network extension through agreement with the originating U.S. network. (*b*) CBC was not the primary rights holder during the past five years. Arrangements for CBC English and French network coverage of CFL games were negotiated with rights holder, CTV. In two of the five years in question arrangements were made under which the sponsors of the CBC

telecasts purchased rights for CBC coverage directly from CTV. In the other three years the CBC paid CTV approximately half the total cost of the rights as its share for CBC coverage.

[*English*]

SECRETARY OF STATE SUPPLEMENTARY ESTIMATES—PERCENTAGE DESIGNATION FOR CERTAIN PURPOSES

Question No. 924—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of the Secretary of State is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): (*a*) Nil; (*b*) 2%; (*c*) 5%; (*d*) Nil; (*e*) 93%; (*f*) Nil.

[*English*]

*OFFER OF MONEY FOR INFORMATION LEADING TO RETURN OF JAMES CROSS ALIVE

Question No. 929—**Mr. Diefenbaker:**

1. Did the government receive an offer of a gift of $1,000 from Mr. Jack McDowell, ex-M.L.A. of Winnipeg, for information that would lead directly to the return alive of Mr. James Cross and, if so, on what date?

2. Was his offer accepted and (a) if so, on what date (b) if not, for what reason?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the answer to this question is that there is no record of such an offer having been received and therefore the second part of the question is not applicable. I feel that I should inform the House and the right hon. gentleman who put the question on the order paper that our inquiries in this regard have been confined to the offices of the Prime Minister, the Minister of Justice and the Solicitor General. If he has any further information to lead us to inquire in other offices we would be happy to pursue the matter further.

NATIONAL REVENUE SUPPLEMENTARY ESTIMATES—PERCENTAGE DESIGNATION FOR CERTAIN PURPOSES

Question No. 967—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of National Revenue is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Hon. Herb Gray (Minister of National Revenue): Customs and Excise: (a) nil (b) 100% (c) nil (d) nil (e) nil (f) nil. Taxation Division: Not applicable. This division does not have any supplementary estimates.

[Mr. Pelletier.]

INJECTION OF DRUGS BY GIRLS ON CBC PROGRAM

Question No. 989—**Mr. Roy (Timmins):**

1. Was there a doctor or other medically competent person in attendance when the two young girls self-injected drugs on CBC Weekend Program, February 7, 1971?

2. Was an analysis made of the contents of the hypodermics used?

3. Were the program officials aware of the contents of the hypodermics and (a) if so, how was this determined (b) if not, for what reason was it not determined?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1, 2 and 3. No; it was not known in advance that the persons being interviewed were going to take the action which they did.

[*English*]

MANPOWER DEPARTMENT PREDICTIONS OF STUDENT UNEMPLOYMENT

Question No. 1,025—**Mr. Comeau:**

1. Has the Department of Manpower and Immigration made any predictions for this year as concerns students unemployment vis-à-vis the increase in unemployment among the general labour force and, if so, what are they?

2. Does the Department of Manpower and Immigration intend to release more funds than last year?

Hon. Otto E. Lang (Minister of Manpower and Immigration): 1. The department has not made any such predictions.

2. The release of funds for the Student Employment Program is not the responsibility of the Department of Manpower and Immigration.

PUBLIC SERVICE COMPETITION NO. 70-ID-4301

Question No. 1,104—**Mr. Aiken:**

1. Has an appointment been made under Public Service Commission Competition No. 70-ID-4301 under the title of "A Challenging Career to Promote Equal Opportunities for Women"?

2. Did any of the applicants hold a university degree in economics or sociology as prescribed in the poster?

3. Did the successful applicant hold a university degree in economics or sociology and, if so, what degree and from what university?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows:
1. No.

2. Yes.

3. Not applicable.

NOTE: A competition open to the public (70-430-27) was conducted concurrently with the competition referred to in the question, which was a "closed" compet-

tion; i.e., one in which only persons employed in the public service were eligible to compete. An appointment was made as a result of the open competition. The successful candidate has the academic and other qualifications required for the position.

[*English*]

POST OFFICE—COST OF EQUIPMENT TO BE USED IN PREPARATION OF MONEY ORDERS

Question No. 1,121—**Mr. Peddle:**

1. With regard to the reply to Question numbered 903 at page 4034 of *Hansard*, March 8, 1971, what equipment, other than imprinters, make up the difference between the two dollar figures shown?

2. Who was the supplier of the equipment?

3. Were tenders called?

Hon. Jean-Pierre Côté (Minister without Portfolio): For the Post Office Department: 1. and 2. Optical Character Recognition Equipment (Supplier—Recognition Equipment (Canada) Ltd.) $788,200; Microfilm Cameras and Film Processing Equipment (Supplier—Recordak of Canada Ltd.) $40,175; Microfilm Reader Printers (Supplier—3M Company of Canada Ltd.) $6,820; Site preparation and conversion costs at headquarters (Performed by Department of Public Works) $258,500.

3. Yes.

*FRENCH TELEVISION AND RADIO FACILITIES, FREDERICTON AND SAINT JOHN, N.B.

Question No. 1,194—**Mr. Fairweather:**

By what date does the Canadian Broadcasting Corporation expect to have French television and radio available to Fredericton and Saint John, New Brunswick?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am informed by the CBC that it hopes its application for a French-language television station to serve the Fredericton-Saint John area can be heard by the CRTC early in 1972. An application for a French-language FM radio station to serve this area is expected to be filed in time for a Spring, 1972, CRTC hearing. On air dates would be approximately one year after the applications are approved.

[*English*]

DAIRY SUBSIDY QUOTAS, 1968-69 TO PRESENT TIME

Question No. 1,195—**Mr. Moore:**

By province, what was the subsidy quota (a) in pounds (b) in dollars for the dairy years (i) April 1, 1968 to March 31, 1969 (ii) April 1, 1969 to March 31, 1970 (iii) April 1, 1970 to the present time?

Hon. H. A. Olson (Minister of Agriculture): (a) Subsidy Eligibility Quotas, Industrial Milk and Cream Producers

Questions

(a) Subsidy Eligibility Quotas, Industrial Milk and Cream Producers

	1968–69	1969–70	1970–71
	('000,000 pounds butterfat)		
P.E.I.	5.5	5.1	4.9
N.S.	1.6	1.4	1.3
N.B.	3.7	3.3	3.1
Que.	153.0	146.7	144.6
Ont.	123.4	106.6	95.5
Man.	14.4	13.3	12.7
Sask.	11.5	10.3	9.6
Alta.	30.5	26.7	25.0
B.C.	1.1	0.8	0.5
Canada	344.7	314.2	297.2

(b) Subsidy Payments

	1968–69	1969–70	1970–71 (Apr.-Dec.)
		($'000,000)	
P.E.I.	1.7	1.5	1.0
N.S.	0.5	0.4	0.2
N.B.	1.1	1.0	0.6
Que.	44.8	37.1	23.4
Ont.	34.7	27.5	18.2
Man.	4.4	3.9	2.7
Sask.	3.6	3.1	2.1
Alta.	8.9	7.5	5.1
B.C.	1.3	0.6	0.2
Canada	101.0	82.6	53.5

EMPLOYMENT OF ARCHITECTS BY NATIONAL AND HISTORIC PARKS SERVICE

Question No. 1,201—**Mr. McCleave:**

1. How many architects, specially trained and skilled in the restoration of French period structures, have been offered temporary employment to meet the program demands of the National and Historic Parks Service?

2. What are the contract terms in each case as to (a) time (b) payment (c) other benefits (d) location of employment and project to be worked on?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. None.

2. Not applicable.

[*English*]

SALE OF "GOLDEN SCARAB"

Question No. 1,203—**Mr. McCleave:**

1. Was the *Golden Scarab* sold by the Industrial Development Bank to Catalina Exploration and Development Limited and, if so, under what circumstances and on what terms?

2. What representations were made by the Bank concerning Canadian standards for such vessel?

Hon. E. J. Benson (Minister of Finance): 1. Yes. Under the usual terms and conditions of an Industrial Development Bank loan.

2. In connection with the offering of the ship for sale to potential buyers, the IDB had an estimate made by a firm of marine surveyors and its own engineering staff of the cost of preparing the vessel for sea. This estimate did not purport to take into account any cost which might be incurred in converting the vessel from a tuna seiner to a seismic survey vessel or for any other purpose.

BOEING 707's PURCHASED FOR ARMED FORCES

Question No. 1,025—**Mr. Mazankowski:**

1. How many Boeing 707's have been purchased for the use of the Canadian Armed Forces?

2. What was the price per aircraft?

Hon. Donald S. Macdonald (Minister of National Defence): 1. Five.

2. First four aircraft—$10,564,975 each including Canadian federal sales tax. The fifth aircraft—$9,993,465 including Canadian federal sales tax.

COMPUTER SERVICES INCOME, DEPARTMENT OF SOLICITOR GENERAL

Question No. 1,209—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of the Solicitor General (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. Jean-Pierre Goyer (Solicitor General): (a), (b), (c) and (d) Nil.

COMPUTER SERVICES INCOME, DEPARTMENT OF SECRETARY OF STATE

Question No. 1,217—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of the Secretary of State (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): (a) Nil; (b) Nil; (c) Nil; (d) Nil.

* * *

[*English*]

QUESTIONS PASSED AS ORDERS FOR RETURNS

*USE OF JET STAR AIRCRAFT BY PRIME MINISTER SINCE JUNE 25, 1968

Question No. 12—**Mr. Coates:**

1. On how many occasions has the Prime Minister made use of the Jet Star since June 25, 1968 and in each instance, what was the designation of the flight and what was the purpose of the flight in question?

2. On each occasion that the Prime Minister has used the Jet Star, what are the names of the persons who accompanied him and what was the responsibility of each during the period in question?

[Mr. Benson.]

3. On the occasions that the Prime Minister used the Jet Star were any stop-overs made other than to service the aircraft and, if so, what was the purpose of the stop-overs and duration in each case?

4. What was the total mileage travelled by the Jet Star since June 25, 1968, when used by the Prime Minister?

Return tabled.

USE OF GOVERNMENT AIRCRAFT BY PRIME MINISTER BETWEEN JULY 1 AND SEPTEMBER 30, 1970

Question No. 43—**Mr. Coates:**

1. On how many occasions did the Prime Minister make use of government aircraft between July 1 and September 30, 1970?

2. (a) What were the specific dates on which the Prime Minister used the aircraft (b) what was the reason in each instance for the use of the aircraft (c) what was the destination (d) what were the names of the people who travelled with the Prime Minister on each occasion (e) were they members of the government service and, if not, did they make any payment to the federal treasury for passage?

3. What was the cost on each instance that the Prime Minister used government aircraft?

Return tabled.

COST OF PRINTING GOVERNMENT PUBLICATIONS

Question No. 271—**Mr. Peters:**

1. What was the total cost of printing all publications, reports, news releases and other public documents issued by government departments and agencies in the calendar year 1965?

2. What was the total cost of printing similar material issued in the calendar year 1969?

3. Approximately what percentage of the increase in cost is attributable to (a) a larger number of printed items (b) more expensive paper and use of colour (c) the necessity of publishing all material in the two official languages?

Return tabled.

• (2:50 p.m.)

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notice of motion for the production of papers No. 188 is acceptable to the government.

AGREEMENTS BETWEEN QUEBEC AND OTTAWA WITH RESPECT TO HIGHWAY AT MONTREAL

Motion No. 188—**Mr. Valade:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all documents, letters or communications concerning agreements between Quebec and Ottawa with respect to the east-west highway at Montreal.

Motion agreed to.

ORAL QUESTION PERIOD

EXTERNAL AFFAIRS

EAST PAKISTAN—REPORTED MASS KILLINGS, SHORTAGE OF FOOD AND MEDICAL SUPPLIES, MASSING OF INDIAN TROOPS ON FRONTIER

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Secretary of State for External Affairs whether he has received any information about what is going on in East Pakistan with regard to the reports of mass killings and shortage of food and medical supplies? Has the hon. gentleman received any information that he considers reliable either through the United Nations or the resources of his own department?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have no information directly from any representative of the Canadian government. We will be talking to the Canadians who have come out of Pakistan about the situation there. I think it is clear, however, that there has been a good deal of violence and killing. It appears from the reports we have received, which I think are available to all members of the House, that there has been violence on both sides. This is something which I am sure we all deplore. The question before the Canadian government is how best it might be able to help, and I do not think pious declarations against violence are going to achieve anything. We are searching for some means by which we can be constructive, by supplying relief or something of that kind.

Mr. Stanfield: A supplementary question, Mr. Speaker. I should like to ask the minister about the reports that India has six divisions massed on the Pakistan frontier. Can the minister tell us whether he has any information on this subject and, if so, is it of any concern to him?

Mr. Sharp: Mr. Speaker, I cannot speak about the massing of troops on the Indian side of the border. The most reliable information I have is that there has been no incursion of Indian troops into Pakistan.

Mr. Stanfield: A further supplementary question. Is it the intention of the Minister to take any initiative with regard to the United Nations on what is transpiring in that part of the world or any initiative with regard to the secretariat of the Commonwealth to involve the Commonwealth or the United Nations in this matter?

Mr. Sharp: As I said in the House the other day, Mr. Speaker, the Secretary General of the United Nations has been apprised of the situation by a letter from the Indian government. It is my understanding that he still has the matter under consideration and has not yet replied. I can understand his hesitation because I am sure that he wants to do something constructive in this situation, and under the circumstances it is very difficult to know how best to proceed. We have been consulting with the International Red Cross to discover whether there are any practical means by which we might be able to help.

Inquiries of the Ministry

THE CANADIAN ECONOMY

PROVISION OF GUARANTEED ANNUAL INCOME IN LIGHT OF SUGGESTION BY PRIME MINISTER RESPECTING PROVISION OF JOBS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct a question to the Prime Minister arising out of his proposal which was referred to the other day for providing jobs by instituting a shorter work week, earlier retirement, delays in young people in entering the work force and less emphasis on women working. In view of the fact that it would be necessary for some income to be provided for these groups who are either kept out of the labour force or retired from it, does the government intend to introduce a guaranteed annual income or has it some income policy to cope with the situation which would arise if the measures referred to by the Prime Minister were put into effect?

Right Hon. P. E. Trudeau (Prime Minister): Yes, we have a policy, Mr. Speaker, concerning these areas. The details of it are known to the House and I do not think I can be expected to go into the details of the white paper at this time.

STUDIES OF GUARANTEED ANNUAL INCOME PROPOSAL

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I ask the Minister of National Health and Welfare if studies regarding a guaranteed annual income are under way in addition to the study made by Dr. Willard, who is conducting such studies and at what levels of income is the government aiming in the event it institutes a guaranteed annual income?

Mr. Speaker: Order, please. I am not sure whether the hon. member is not asking a question of a rather detailed nature and whether this kind of question ought not normally to be placed on the order paper. Unless the right hon. Prime Minister has the information immediately available and can give it briefly, I suggest to the hon. member that normally this kind of question should be asked through the order paper.

Mr. Douglas: Mr. Speaker, I was directing my question to the Minister of National Health and Welfare and asking if studies were going on in his department at the present time, who was conducting these studies and at what levels of income the studies were being conducted. It seems to me the minister could give me that information.

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I would advise the hon. member that it is clearly set out in the white paper on income security that we were prepared to entertain studies and demonstration projects in this area. As has been noted in the press, some provinces have indicated that they might be interested in combining with us in such studies. This matter is under consideration in some provinces right now.

Inquiries of the Ministry

REVIEW OF WHITE PAPER ON INCOME SECURITY TO PROVIDE FOR EARLIER PAYMENT OF OLD AGE PENSIONS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare. In view of the Prime Minister's references to earlier retirement, is the government considering a review of its paper on income security with a view to providing that the old age security pension be made available at an earlier age?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, there have been observations in terms of retirement pensions made in the white paper. We have discussed it at the welfare ministers conference and we have invited proposals from all interested associations and people in Canada. After we look at those views it is possible that we will give consideration to them.

SUGGESTION BY PRIME MINISTER RESPECTING PROVISION OF JOBS—LEGISLATION TO REDUCE WORK WEEK

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the Prime Minister's suggestion may I ask the Minister of Labour if any legislation is going to be introduced regarding a reduction in the work week?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, one of the things we are doing is presenting a new Canada Labour (Standards) Code in such a manner that will make it more effective than it has been in the past. It does limit workers to a 40-hour work week.

SUGGESTION BY PRIME MINISTER RESPECTING PROVISION OF JOBS—NATIONAL DAY-CARE ACT

Mr. B. Keith Penner (Thunder Bay): Mr. Speaker, may I direct a supplementary question to the Minister of National Health and Welfare? Is the minister or his department giving consideration to a national day-care act as recommended by the Royal Commission on the Status of Women, because such an act would be of help to mothers who must be in the work force?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the white paper recognizes the need for day-care centres and suggests that the route for the accomplishment of this end would be discussion with the provinces with a view to possible amendments to the Canada Assistance Plan. This question is being considered by the provinces and was discussed at the last welfare ministers' conference.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. I ask the Prime Minister, in the absence of the hon. member for Vancouver-Kingsway and having in mind the Prime Minister's suggestion about decreasing the emphasis of the role of married women in the work force, whether he is now considering the provision of a salary for married women?

[Mr. Munro.]

[*Translation*]

INDUSTRY

CANADAIR CL-215 AIRCRAFT—GOVERNMENT DECISION RESPECTING USE

Mr. Gilbert Rondeau (Shefford): Mr. Speaker, I have a question for the right hon. Prime Minister.

In view of the fact that the federal government has been studying since 1963 a possible assignment for Canadair's own CL-215 aircraft which were previously used to fight forest fires in Canada and across the world, I wonder if the right hon. gentleman could tell us when the government will be in a position to "graduate" its answer after having studied the matter for so many years.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this question has already been asked not too long ago and it has been answered by the Minister for Industry, Trade and Commerce.

[*English*]

SUGGESTED DEVELOPMENT BY CANADAIR OF REPLACEMENT FOR ARGUS AIRCRAFT

Mr. J. M. Forrestall (Dartmouth-Halifax East): A supplementary question, Mr. Speaker, to the Minister of Supply and Services. Is his department investigating the possibility of turning over to Canadair responsibility for developing a follow-up aircraft for the Argus?

Hon. James Richardson (Minister of Supply and Services): No, Mr. Speaker, that is not under consideration at the present time.

* * *

OIL

PROPOSED NORTHERN PIPELINES—GOVERNMENT POSITION—PROVISION OF CANADIAN PRODUCT TO EASTERN CANADA

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, may I direct a question to the Secretary of State for External Affairs. In view of the continuous conflicting statements by various ministers and the talks being held in Ottawa and Vancouver and to be held with United States authorities on the pipeline issue, what position is the government advancing at these talks? Has the government got a formal position on this issue?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, on a number of occasions in the House I have expressed the view of the Canadian government that there are dangers to the ecology arising out of the building of a pipeline across Alaska for ships to carry oil through the Strait of Juan de Fuca.

Mr. Comeau: A supplementary question, Mr. Speaker. Since the government is all mixed up on this issue I would ask the Minister of Energy, Mines and Resources—

Mr. Speaker: Order, please. I wonder whether the hon. member has a supplementary question to ask. We should not enter into debate.

Mr. Comeau: Mr. Speaker, may I direct a supplementary question to the Minister of Energy, Mines and Resources. In view of the fact that the price of oil and gas is to be considerably higher on the east coast, will the minister now consider supplying Canadian oil and gas to the east coast?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the price increases announced today, resulting from higher world petroleum prices as well as higher tanker costs, are being considered by my department and by the National Energy Board.

Mr. Stanfield: Does the minister think he will roll them back?

Mr. Greene: Any conclusions with respect to the viability of a pipeline will be very carefully considered by the board. In the meantime, the National Energy Board is prepared to consider quickly an application by any entrepreneur wishing to build a pipeline to the Montreal market.

Mr. Baldwin: When are you making your next speech, Joe?

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—SUGGESTED INTERNATIONAL JOINT COMMISSION HEARINGS ON POSSIBLE POLLUTION FROM TANKERS

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, my question is for the Secretary of State for External Affairs. Has he had an opportunity to explore with his United States counterpart the possibility of International Joint Commission hearings similar to those scheduled on the Skagit Valley question, in order to permit all relevant information on the important question of tanker traffic and consequent oil pollution in the Strait of Juan de Fuca and the Gulf of Georgia to be made completely public?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker, I have not yet had an opportunity of exploring this matter with the Secretary of State for the United States, nor have my officials. I will bear the hon. member's suggestion in mind.

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

Mr. Speaker: Order, please. A number of hon. members wish to ask supplementary questions. The Chair will recognize the hon. member, but I suggest that we should try to go as quickly as we can to other subjects.

Mr. Anderson: Thank you, Mr. Speaker. In view of the realization by the government of the United States and the government of Canada that public hearings on the effect on the environment of raising the Ross dam should be held, will the government House leader now reconsider his acceptance of the motion of the hon. member for Peace River to shelve the second report of the House of Commons Special Committee on Environmental Pollution and bring this matter forward so that similar public hearings can be held by members of the House on the environmental question?

Mr. Speaker: Order, please.

Mr. Baldwin: The hon. member's representations have been heard and noted.

Mr. Speaker: The hon. member's question is in the form of a representation. He must assume that it will be considered sympathetically by the minister.

* * *

POWER

PROPOSED FLOODING OF SKAGIT RIVER VALLEY—CANADIAN REPRESENTATIONS TO U.S. FEDERAL POWER COMMISSION HEARING

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, may I address a question to the Minister of Fisheries and Forestry who may become minister of the environment. Does the government of Canada intend to make any representation at the Federal Power Commission hearing in Washington on the question of the Skagit Valley and the application before the FPC, in view of the effect this project will have on Canada?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, as I understand it, it would not be appropriate for the government of Canada to appear before a foreign tribunal of that character.

Mr. Nowlan: A supplementary question, Mr. Speaker. Does the minister intend to have the hon. member for Esquimalt-Saanich journey to Washington again and do the work that the government of Canada ought to be doing?

Mr. McGrath: And get his face slapped for doing it. The hon. member is not appreciated over there.

SKAGIT RIVER REFERENCE TO INTERNATIONAL JOINT COMMISSION—SCOPE OF AUTHORITY TO MAKE RECOMMENDATIONS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a supplementary question to the Secretary of State for External Affairs arising out of the agreement between Canada and the United States for a reference to the International Joint Commission. In view of clause (c) of the reference which limits the commission's power to make recommendations to matters which are not inconsistent with the commission's previous order of 1942 and the agreement between the city of Seattle and the province of British Columbia of 1967, I ask the minister whether this means that the commission

will have no authority to make recommendations against the raising of the Ross dam and that it will be confined exclusively to dealing with the ecological effects of the construction of the dam and the flooding of the Skagit Valley?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I think the hon. gentleman has asked me for a legal opinion which I would not venture to give in the House.

Mr. Stanfield: That is a good retreat.

Mr. Douglas: On a point of order, Mr. Speaker, I am not asking for a legal opinion. The Secretary of State for External Affairs is a member of the government which signed the agreement. I am asking the minister what the agreement means. Does the agreement mean that the International Joint Commission will have the power to recommend that the Skagit Valley not be flooded, or is it restricted by clause (c) to discussing merely the ecological effects of such flooding? Surely the government which signed this agreement knows what it means.

Mr. Speaker: Order, please. The hon. member has asked his question twice. Perhaps the minister would like to reply quickly, after which the Chair will recognize the hon. member for Portneuf.

Mr. Sharp: Mr. Speaker, the only reply I can give is to read clause (c), if you will permit me to do so.

Mr. Speaker: Order, please. Perhaps the moment has come to recognize the hon. member for Portneuf.

Mr. Stanfield: The minister did not deny that my interpretation was correct.

* * *

[*Translation*]

INDUSTRY

SLATER SHOES—MEASURES TO PREVENT CLOSING OF OTHER SHOE PLANTS

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question for the hon. minister for Regional Economic Expansion concerning the closing down of the Slater Shoe plant.

Since some industries which are presently running into trouble will be able to hold on for a few years on grants from the Department of Regional Economic Expansion, I wonder if the minister could tell the House what measures he intends to take to see that industries being run by millionnaires and which are considering transferring their equipment to foreign countries—as in the case of the Slater Shoe Company—will be able to pursue their operations.

Mr. Speaker: The hon. member is asking the minister to make a statement of a rather general nature and I do not think the question is in order.

[*English*]

PROVINCIAL AFFAIRS

PRINCE EDWARD ISLAND ACT PROHIBITING CERTAIN PUBLIC GATHERINGS—SUGGESTED REFERENCE TO SUPREME COURT OF CANADA

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of Justice. Has he examined the act of the Prince Edward Island Legislature, entitled "An act for the prohibition of certain public gatherings"? If so, is he giving consideration to acting under Section 55 of the Supreme Court Act and referring this measure to the Supreme Court of Canada for consideration and decision?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I have only just seen a copy of the act, and I do not know if royal assent has been given to it. Until we have had an opportunity to study it more closely, I do not think it would be proper to make any comment.

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. In view of the wide suspension of normally accepted liberties, particularly the right of assembly, and in view of the importance of this legislation in light of similar legislation dealt with in this House last fall, was there any consultation with the Minister of Justice or other members of the government before this legislation was introduced into the provincial legislature of Prince Edward Island?

Mr. Turner (Ottawa-Carleton): Not so far as I know, Mr. Speaker.

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ENERGY

DEVELOPMENT OF PARALLEL POLICY ADAPTABLE TO NEEDS OF UNITED STATES MARKET

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is directed to the Minister of Energy, Mines and Resources. In view of the statement yesterday by Jack Austin, deputy minister of resources, that Canada is developing a parallel energy policy that will permit ready adaptation to the needs of the United States' market, can the minister say if this is the case? If it is the case, when will the minister announce the national energy policy?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I think the deputy minister's speech referred to the development of Canada's national energy policy in the decade since the national oil policy was announced. While the term is certainly descriptive—a parallel policy rather than an integrated or continental policy, and very well put—we have developed Canada's national energy policies in the Canadian interest and to the benefit of Canada but have continually sought to sell our surplus product in the American market.

INCREASE IN CANADIAN OIL PRODUCTION TO MEET GREATER PROPORTION OF DOMESTIC REQUIREMENTS

Mr. Les Benjamin (Regina-Lake Centre): A supplementary question to the Minister of Energy, Mines and Resources. In view of the crude oil price increases in the Middle East and Venezuela, and the increased crude requirements in Canada amounting to 7 per cent, will a policy be developed to increase the amount of Canadian production to meet increased domestic requirements to a greater extent in view of the fact that foreign imports are to increase by 12 times as much as the Canadian production increase will be?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, Canadian production and sales have been increasing at a very rapid pace. Last year there was something like a 20 per cent increase in our exports over previous years. I feel sure that all these economic factors such as the increase in price and a higher price for offshore crude will tend toward an even greater productivity and production on the Canadian scene.

Mr. Speaker: Order, please. The Chair will recognize one last supplementary.

Mr. Nystrom: I have a supplementary question for the Minister of Energy, Mines and Resources. In view of the public statement by the National Energy Board to the effect that we should be increasing our refinery capacity in Canada as well as for security of supply in eastern Canada, will the minister now give the National Energy Board power to rule over exports of oil?

Mr. Greene: Mr. Speaker, I do not think the two questions are properly related. The National Energy Board and the government have continually attempted to encourage a greater refining capacity in Ontario which is essential to the national energy policy and the national oil policy. Unfortunately, contrary to pronouncements made by the New Democratic Party, refining in Ontario is not a highly profitable matter.

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THE CANADIAN ECONOMY

HOME OIL COMPANY—DISPOSAL OF SHARES BY ROBERT BROWN—FURTHER NEGOTIATIONS WITH GOVERNMENT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I wish to direct a question to the Minister of Energy, Mines and Resources in connection with Robert Brown of Home Oil Company. Is the minister in a position to advise whether Mr. Brown has been able to dispose of his shares in Canada to Canadians? If not, what further negotiations have taken place in the past week or so between the minister, his department and Mr. Brown relative to the sale of shares outside of Canada?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I am happy to report that the Home Oil Company is still Canadian. If the government's intervention played some part in that result, I am even happier to announce that fact.

Inquiries of the Ministry

Some hon. Members: Hear, hear!

Mr. Greene: I am instructed that negotiations are still taking place. I have not been privy to these, nor have I taken part in them since my indication to the House that we had broken off direct negotiations for the public purchase of Mr. Brown's shares in Cygnus Corporation.

Mr. Diefenbaker: I am interested in the minister making reference to the illusory government intervention for which the minister gives himself a pat on the back. I ask if any step has been taken by the minister or those associated with him which would prevent Mr. Brown selling his shares outside of Canada.

Mr. Greene: As I previously indicated, Mr. Speaker, Mr. Brown has indicated to us that he is fully aware of the government's desire that Home Oil remain Canadian. I am confident that in his negotiations he is attempting to achieve this end. If a pat on the back is deserved for this result, I will be very pleased to receive same from the right hon. gentleman.

Mr. Diefenbaker: Mr. Speaker, there is nothing as immodest as self-praise. As the minister is so interested in what is being done, will he advise when was the last communication with Mr. Brown in connection with this matter?

Mr. Greene: Mr. Speaker, the last communication with Mr. Brown was when I last reported to the House, at which time Mr. Brown indicated—as I indicated to the House—that he was going to pursue his attempts to find a Canadian buyer for his shares in Cygnus Corporation.

Hon. Robert L. Stanfield (Leader of the Opposition): Has the Minister of Energy, Mines and Resources indicated or has caused to be indicated to Mr. Brown that he would not be free to sell his shares abroad?

Mr. Greene: As I indicated to the House at the time of the negotiations, Mr. Speaker, these negotiations were carried out in good faith and in confidence between the parties. Until the matter is completely resolved, I think that confidence should be maintained by me.

* * *

CANADIAN BROADCASTING CORPORATION

USE OF PROGRAM "SESAME STREET", IN LIGHT OF RULING BY CANADIAN RADIO-TELEVISION COMMISSION

Mr. Paul St. Pierre (Coast Chilcotin): My question is for the Secretary of State, arising out of an earlier announcement concerning the CBC. Can the minister advise the House whether the CBC has been caught up in the tide of public sentiment in favour of the program "Sesame Street", or is that program to be dropped in accordance with the Canadian content rule?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I can at last say that the program "Sesame Street" will be back on the CBC English television network next season.

Inquiries of the Ministry

[*English*]

REGIONAL ECONOMIC EXPANSION

ATLANTIC DEVELOPMENT COUNCIL RECOMMENDATION OF FULL EMPLOYMENT POLICIES—GOVERNMENT ACTION

Mr. James A. McGrath (St. John's East): I wish to direct a question to the Minister of Regional Economic Expansion, whom I welcome back to the House after his visit to the invigorating shores of Nova Scotia. Is the minister now prepared to make a recommendation to the government in keeping with the main recommendation of the report of the Atlantic Development Council whereby they recommended that full employment policies must be pursued by the government of Canada in order to make regional development policies effective in the Atlantic area? Is the minister prepared to make that recommendation to his colleagues in the government?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I stated after the report was transmitted to me that the next step will be to study all the recommendations with the chairman of the council. After that I will report to the cabinet. I will then be in a position to announce any new policies.

Mr. McGrath: A supplementary question. When can we expect the report to be studied by the cabinet, because it is a very important report, affecting as it does the ten-year plan for the Atlantic provinces?

Mr. Speaker: Order, please.

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[*Translation*]

REGIONAL ECONOMIC EXPANSION

NEGOTIATIONS RESPECTING NEW AGREEMENT WITH QUEBEC

Mr. Alexandre Cyr (Gaspé): Mr. Speaker, I should like to direct a question to the Minister of Regional Economic Expansion.

Could he tell the House whether negotiations are under way with the province of Quebec as to the signing of a new Canada-Quebec co-operation agreement for the economic development of the Lower St. Lawrence region, the Gaspé peninsula and the Magdalen Islands?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes, Mr. Speaker, that agreement should be signed at any time now.

[*English*]

ATLANTIC DEVELOPMENT COUNCIL RECOMMENDATION RESPECTING MEETINGS WITH PROVINCIAL PREMIERS

Mr. J. M. Forrestall (Dartmouth-Halifax East): My supplementary question is directed to the Minister of Regional Economic Expansion and concerns the recommendation which urges the government to enter into meaningful negotiation with the four Atlantic Premiers. Will the hon. gentleman pay special attention to the recommendation which calls on him to meet quarterly with the four Atlantic premiers?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I do not know whether we shall meet quarterly but we shall try to have at least one meeting. I think the recommendation of the council to which the hon. member has referred is an important one.

ATLANTIC DEVELOPMENT COUNCIL RECOMMENDATION RESPECTING TARIFF STRUCTURE

Mr. John Lundrigan (Gander-Twillingate): In light of the recommendation of the Atlantic Development Council, a constituent part of the Department of Regional Economic Expansion, that the tariff structure be reassessed with a view to accommodating more equitably the regions of Canada experiencing disparity, is the minister prepared to discuss this idea formally with the government of the Atlantic provinces?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I think the first discussion should take place with the chairman. Then I would make a report to the cabinet and after that, if necessary, enter into negotiations with the provinces.

[*Translation*]

GRANTS FOR GASPÉ ROADBUILDING

Mr. Pierre De Bané (Matane): I should like to ask a supplementary question, Mr. Speaker.

I wonder if before asking my supplementary the Chair would kindly allow me a question of privilege before adjournment—

Mr. Speaker: Indeed, the hon. member can always rise on a question of privilege. It might be better if the hon. member waited until the end of the question period, although he is entitled, under Standing Orders, to do so right now. Nevertheless I suggest he should wait until the end of the oral question period and ask his supplementary question now.

Mr. De Bané: Mr. Speaker, I would like to ask the Minister of Regional Economic Expansion whether the agreement soon to be signed with the province of Quebec will provide for a substantial grant intended for the Gaspé road network?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Yes, Mr. Speaker.

[*English*]

PRAIRIE PROVINCES—SIMILAR STUDY TO THAT DONE BY ATLANTIC DEVELOPMENT COUNCIL

Mr. Paul Yewchuk (Athabasca): My supplementary question is directed to the Minister of Regional Economic Expansion. Having regard to the apparent importance of the ADC report on Atlantic development, does the gov-

ernment intend to discuss with the Prairie provinces the idea of organizing a comprehensive analysis of this kind as a basis for the economic development of the Prairies?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): This is a question I could discuss with my cabinet colleagues, Mr. Speaker.

* * *

[*English*]

WATER RESOURCES

PROPOSED DIVERSION OF PEMBINA RIVER INTO NORTH SASKATCHEWAN—DISCUSSIONS WITH ALBERTA GOVERNMENT

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Have discussions taken place between officials of the Alberta government and the federal government in connection with the proposed diversion of the Pembina River into the North Saskatchewan River?

Hon. Jack Davis (Minister of Fisheries and Forestry): Not to my knowledge, Mr. Speaker.

Mr. Harding: Have any studies been projected to determine what possible ecological effects such diversion would have on the Athabasca Delta, the Mackenzie River and the Mackenzie Delta?

Mr. Davis: I do not know personally, but I will make inquiries.

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REGIONAL ECONOMIC EXPANSION

ATLANTIC DEVELOPMENT COUNCIL RECOMMENDATION RESPECTING MONETARY AND FISCAL POLICIES

Mr. J. M. Forrestall (Dartmouth-Halifax East): I would if I could return to the Minister of Regional Economic Expansion. In light of the recommendation of the Atlantic Development Council that government monetary and fiscal policy be sensitive to regional needs, and in light of the fact that the Atlantic region has suffered excessively from the burden of personal and corporate income tax, will the minister now give some assurance that he will remove or consider removing the 3 per cent surtax on personal and corporate income tax in the Atlantic region?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I believe I have the authority to discuss this subject with all interested parties, but I do not have the authority to decide.

Mr. Forrestall: Mr. Speaker,—

Mr. Speaker: Order. I think we should give other members an opportunity to ask questions at this point.

Inquiries of the Ministry

AGRICULTURE

FARM PRODUCTS MARKETING BILL—EXCLUSION OF CATTLE AND CALVES—ACTION OF STANDING COMMITTEE

Mr. R. E. McKinley (Huron): My question is for the Prime Minister. I ask your indulgence, Mr. Speaker, since it involves a short preamble. On February 4 I asked the Minister of Agriculture whether it was still his intention to have cattle and calves excluded from the provisions of Bill C-176. He replied that it would be up to the Standing Committee on Agriculture to determine how they wished to amend the bill, but added there was general agreement—

Mr. Speaker: Order. The hon. member should ask his question. I suggest it is not quite fair of him to deliver to the House a preamble of such length.

Mr. McKinley: Thank you, Mr. Speaker. I am getting there. Yesterday, in the Standing Committee on Agriculture, such an amendment was moved by a government member and 12 of the 15 government members voted against it, including the minister's parliamentary secretary.

Mr. Speaker: Order. This is not a question; it is a speech. I recognize the hon. member for Comox-Alberni.

Mr. McKinley: On a point of order, Mr. Speaker, my question is coming immediately.

Mr. Speaker: Order, please. The hon. member knows he cannot do this. He has referred in part of his question to proceedings in a committee and this is not in accordance with the rules. At the same time, it is not entirely fair to the other hon. members who are just as anxious as he is to ask questions, particularly when there are only seven minutes left before the end of the question period. Nevertheless, the hon. member might be allowed to put his question at this point.

Mr. McKinley: Does the Prime Minister not consider this vote to represent a distinct lack of confidence in the Minister of Agriculture by the majority of government members and would he use his influence to have such an amendment accepted when the bill comes before the House?

Mr. Speaker: Order, please. I suggest to the hon. member that the preamble was out of order and that his question is also out of order.

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WELFARE

RESPONSE TO PROPOSALS PRESENTED BY NATIVE COUNCIL OF CANADA RESPECTING MÉTIS AND NON-STATUS INDIANS

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I wish to address a question to the Minister of National

Health and Welfare. It arises from a question asked earlier by my hon. friend from Nanaimo-Cowichan-The Islands. In light of the Prime Minister's suggestion that there should be a retrenchment in the labour force, has the minister suggested to the Native Council of Canada that Métis and non-status Indians should continue to live on welfare, or was he able to offer them a more positive response to the proposals in the paper recently presented to him by the council?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I pointed out, commenting on the many observations contained in their brief, that many of the recommendations we were putting forward in the white paper, including amendments to the Canada Assistance Plan, would materially assist many of the Métis to get off welfare.

Mr. Paul Yewchuk (Athabasca): My supplementary is directed to the Prime Minister. In view of the fact that $1 billion has been offered by President Nixon to the Indians of Alaska in exchange for land and oil, has the right hon. gentleman considered making a similar offer to the Indians inhabiting the Yukon and the Northwest Territories?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker.

Mr. A. P. Gleave (Saskatoon-Biggar): May I ask whether payment would be made in dollars, or wampum?

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—EXTENSION OF DEADLINE FOR APPLICATION

Mr. W. B. Nesbitt (Oxford): I have a question for the Secretary of State. In view of the fact that the youth program planned for the coming summer months is subject to a deadline of April 14 in many cases, I believe, and since there is still vast confusion all over the country as to how this program is to be carried out, will the Secretary of State, or whichever minister is in charge of this scheme, give an assurance to the House before we adjourn for the recess that further consideration will be given to the plan and an extension of time granted if necessary?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I think, Mr. Speaker, from the hundreds of projects we are receiving, that the hon. member is more confused than the young of this country.

I am surprised at the hon. member being so confused that apparently he does not know that a meeting has been arranged for five o'clock this afternoon for all hon. members interested in meeting the civil servants, information officers and other people in a position to supply all the information that they might not have yet or even that which they have received already but, and I have evidence that this is true of some opposition members, have not read.

[*English*]

Mr. Nesbitt: On a point of order, Mr. Speaker, I have received no such notice as the minister refers to, nor have other hon. members. I am beginning to reach the conclusion that the minister does not know his rear end from third base.

Some hon. Members: Oh, oh!

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CAPE BRETON DEVELOPMENT CORPORATION

EARLY APPOINTMENT OF NEW CHAIRMAN

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. In view of the recent, regretted resignation of the chairman of Devco, Mr. Robert Burns Cameron, a great Canadian who has served Nova Scotia and Canada well, and bearing in mind the urgent need for preserving the continuity of office of chairman of this important corporation, can the minister advise the House how soon he may be appointing someone to fill this vacancy?

Hon. Jean Marchand (Minister of Regional Economic Expansion): I regret the resignation of Mr. Cameron and I share the hon. member's feelings about him. I hope that very soon I can find a replacement.

Mr. David MacDonald (Egmont): In view of the uncertainty with regard to the future of Devco, would the minister be prepared to make a statement on this important question when the House resumes later this month?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, I believe that the chairman manager with then have been appointed.

[*English*]

Mr. Donald MacInnis (Cape Breton-East Richmond): A supplementary question, Mr. Speaker. Will the Minister of Regional Economic Expansion seek and take the advice of Mr. R. B. Cameron in any appointment he may make to the chairmanship of the board and also in filling vacancies on the board of directors?

[*Translation*]

Mr. Marchand (Langelier): Mr. Speaker, there is no doubt that we shall consult all those who are familiar with Devco and its problems. In fact, Mr. Cameron is one of the most able people familiar with the problems of Cape Breton.

[*English*]

HEALTH

UTILIZATION FEES TO PATIENTS FOR DOCTORS' SERVICES—DISCUSSIONS WITH PROVINCES

Mr. P. B. Rynard (Simcoe North): Mr. Speaker, I should like to address a question to the Minister of National Health and Welfare. In light of the fact that the federal government introduced a national health care scheme, is the minister going to consult the provincial health ministers regarding meeting the increased cost of utilization fees to patients for doctors' services?

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker. This area is now under discussion and will be under discussion with the provinces more so during the course of the next few months.

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FINANCE

AMENDMENT OF UNITED STATES INTEREST EQUALIZATION TAX TO COVER SHORT-TERM CAPITAL FLOWS—CANADIAN EXEMPTION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I have a question for the Secretary of State for External Affairs of which I gave him warning, if not notice. I regret that my warning was short. Has it been ascertained that Canada will be exempt from an amendment to include short-term as well as long-term capital flows in the United States interest equalization tax, and is the government consulting United States officials on the whole matter? If so, when will a definitive announcement be made?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, Canada has been exempted from the application of the interest equalization tax and, so far as I know, from all the associated restrictions. My colleague the Minister of Finance was in Washington yesterday and I would suggest that if there are any questions on detail, they should be directed to him.

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GRAIN

RESUMPTION OF NORMAL MOVEMENT TO WEST COAST PORTS AND SHIP LOADINGS

Mr. Cliff Downey (Battle River): Mr. Speaker, I should like to address a question to the minister in charge of the Wheat Board. Is the movement of grain again proceeding normally to west coast ports, and when will capacity ship loadings once again be in progress?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the commissioner of the Wheat Board indicated to me today that he thought that by tomorrow we might be back to normal unloads. Yesterday 338 cars were unloaded at Vancouver.

Inquiries of the Ministry

PROVINCIAL AFFAIRS

PRINCE EDWARD ISLAND ACT PROHIBITING CERTAIN PUBLIC GATHERINGS—POSSIBILITY OF DISALLOWANCE

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I ask the Minister of Justice a further question concerning the act to provide for the prohibition of certain public gatherings passed by the Prince Edward Island legislature yesterday? In view of the fact that this act seems to deny certain basic liberties that belong to all Canadians, will the government in its review of this matter consider the possibility of disallowing the act?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I would not think that would be the remedy in any event. In the final analysis the courts would be the proper forum for challenging any act, if that challenge were on a constitutional basis.

* * *

GRAIN

BARLEY—SUGGESTED INCREASE IN INITIAL PRICE TO INDUCE GREATER PLANTING

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, my question is directed to the minister responsible to the House for the Canadian Wheat Board, and the urgency of my question is that the planting season is almost upon us. My question refers to the current initial prices established for wheat, oats and barley. In light of the 60 per cent increase in barley acreages required this year and the tendency of farmers to lean toward the production of more wheat because of price advantage, will the government consider raising the initial price of barley to increase the incentive to grow more of this grain in order to meet current markets?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I was very encouraged by the report from DBS that in fact farmers plan to increase their barley plantings to 14.4 million acres and to hold their wheat at 18.6 million acres. I should like to see further increases in barley acreage, but they are planning to plant sufficient barley to allow us to export at a pretty high level.

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INFORMATION CANADA

INQUIRY AS TO TABLING OF REPORT, "COMMUNITY INFORMATION CENTRES"—GOVERNMENT ACTION

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, I have a question for the Minister without Portfolio in charge of Information Canada. Does the minister intend to table the report called "Community Information Centres", which has been circulated among the press? If so, when he tables the report, which I suppose will be after the Easter recess, will he inform the House what the government intends to do with the report, and in view of certain recommendations regarding the functions of these centres, does he intend to be Dorothy Dix's big brother or minister for Information Canada?

Inquiries of the Ministry

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, the report to which the hon. member refers has been circulated to all hon. members. It is a consultants' report and will be studied as such. I would appreciate having the views of hon. members as well as the views of the provincial premiers and mayors of principal Ontario cities who will also receive this report.

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. I have a copy of the report and have read it. It includes recommendations for setting up neighbourhood counsellors to advise on time, weather, how to apply for a job—not how to get one—drivers' licences, how to get an abortion, the names of reliable garagemen, counselling on data storage, how to repair your car, and all that kind of thing.

Mr. Speaker: Order, please. We are running short of time and I hope the right hon. gentleman will soon ask his question.

Mr. Diefenbaker: Mr. Speaker, I would need the whole afternoon to read portions of this remarkable document. I ask the minister whether, among those consulted in order to bring about this monstrosity, Mao or any of his associates was communicated with.

Mr. Stanbury: I do not think so, Mr. Speaker.

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CANADA DEVELOPMENT CORPORATION

ALLEGED REFUSAL OF BELL CANADA AND ROYAL BANK EXECUTIVES TO ACCEPT APPOINTMENT TO INTERIM BOARD OF DIRECTORS

Mr. Doug Rowland (Selkirk): Mr. Speaker, my question is for the Minister of Finance, but since he has left the chamber perhaps the Prime Minister could look after it for me. Have Messrs. R. C. Scrivner of Bell Canada and John Colman of the Royal Bank of Canada turned down an invitation to sit on the interim board of directors of the Canada Development Corporation? If so, can the Prime Minister tell us why?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know whether they have turned it down. I do not know whether such offer was made to them to sit on an interim board of directors of something or other. Perhaps the hon. member is right, but I have no jurisdiction over that. Perhaps he should ask them.

Mr. Speaker: Order, please. I apologize to hon. members who have been rising during the question period; I was hoping we could give them an opportunity to ask their questions but we have run three or four minutes beyond the regular time. Perhaps at this moment the Chair might recognize the hon. member for Matane before calling Orders of the Day, since he has a question of privilege. Is the hon. member for Selkirk rising on a point of order?

Mr. Rowland: Mr. Speaker, I fail to understand how the Prime Minister can tell the House that he has no jurisdiction over appointments to the board of directors of the CDC in the interim stages.

[*Translation*]

Mr. Pierre De Bané (Matane): Mr. Speaker, a written statement I made on the last report of the Bank of Canada and especially on the economic theory, was interpreted by some newspapers as reflecting on the government's anticyclical policy. In this instance, the newspapers in question have completely distorted my thinking—

Mr. Speaker: Order. I should point out to the hon. member that when rising on a question of privilege, as in this case, the hon. member must give notice to the Chair and, in the circumstances, the hon. member will appreciate that he cannot carry the matter any further.

Mr. Roch La Salle (Joliette): Mr. Speaker, on a question of privilege, in view of the importance of the question which I would have liked to direct to the Prime Minister in connection with the census.

As the census is a rather important matter, I think that the Chair will allow me to deal briefly, in view of the injection of $3.5 million which will affect 42,000 workers—

Mr. Speaker: The hon. member will acknowledge that there is no question of privilege here. I sincerely regret that the hon. member has not been able to ask that important question. He may perhaps be able to get the information he is seeking in another manner, or later this afternoon. I feel the same for the hon. members for Spadina (Mr. Ryan) and Dauphin (Mr. Ritchie), who are among those who did not have the opportunity to ask their questions this afternoon.

• (3:40 p.m.)

[*English*]

GOVERNMENT ORDERS

NORTHWEST ATLANTIC FISHERIES CONVENTION ACT

AMENDMENTS RESPECTING DEFINITIONS, INSPECTION, OFFENCES AND PUNISHMENT

Hon. Jack Davis (Minister of Fisheries and Forestry) moved that Bill S-13, to amend the Northwest Atlantic Fisheries Convention Act, be read the second time and referred to the Standing Committee on Fisheries and Forestry.

He said: Mr. Speaker, I know that all hon. members are concerned about overfishing in the North Atlantic, especially overfishing near our own shores, and I think they all agree that we must bring this situation under control. We must conduct these fishing operations in international waters on a sustained yield basis. We need a formula which will enable us to operate in this way. We need data. We need assurance that fishing carried out by nationals of other countries conforms with a set of rules which make sense from a long-term point of view.

The amendments to the Northwest Atlantic Fisheries Convention Act contained in Bill S-13 will grant powers to Canadian officers to board the fishing vessels of other countries, and reciprocal powers whereby officers of other countries can board Canadian vessels on the high seas.

There has been a long history of fishing in the North Atlantic, stretching back over 400 years. There have been indications, especially in recent decades, of serious overfishing. In order to deal with this problem of overfishing a conference of 11 countries was convened in Washington in 1949. The International Commission for the Northwest Atlantic Fisheries was drawn up at the 1949 conference, and was signed in Washington later that year.

By 1953 the convention had been ratified by Canada, Denmark, France, Iceland, Italy, Norway, Portugal, Spain, the United Kingdom and the United States. Since 1953 the Federal Republic of Germany, the Union of Soviet Socialist Republics, Poland, Roumania and Japan, in that order, have become members of the International Commission for the Northwest Atlantic Fisheries and ICNAF is now a 15-member organization. The commission coordinates investigations of the fisheries off our east coast and makes recommendations to member governments for the protection and conservation of the fish stocks there. Conservation measures have already been drawn up and enforced in all five sub-areas of the North Atlantic.

It has become apparent that various measures must be undertaken. The first steps taken were to regulate the size of the mesh of nets that could be used. Then regulations were drawn up with respect to closures during periods when the fish were spawning. More recently, ICNAF has dealt with limitations of catch in particular areas. One of these areas includes Georges Bank and Browns Bank, south of Nova Scotia. There is need to extend these regulations geographically as well as in terms of gear, species, catch limits, seasons, etc.

Responsibility for enforcement of regulatory measures recommended by the International Commission, and approved by member governments, has rested with each government for its own flag vessels. As far back as the mid-1950s Canada made the suggestion to the commission that it should consider some sort of international scheme for enforcement. We need to know more about the enforcement methods of other governments. We need to be able to meet the complaints of our Canadian fishermen to the effect that the regulations which we have agreed to with other countries are not being enforced on foreign fishing vessels, particularly those that come near our shores.

On June 6, 1970, at its annual meeting at St. John's, Newfoundland, the Northwest Atlantic Fisheries Commission recommended that protection officers of any contracting government be permitted to board vessels operating under the flag of another contracting government. The purpose of this recommendation was to enable our fisheries officers, for example, to examine the catches taken and the gear used by foreign vessels fishing off our coasts.

The amendments to the Northwest Atlantic Fisheries Convention Act provided for in this bill will make it possible to grant authority to Canadian officers to enforce these regulations on vessels flying the flags of other contracting governments. They will also permit the officers of other contracting governments to board Canadian fishing vessels for the same purpose.

The Canadian fishing industry, I understand, is enthusiastic about this arrangement, as are Canadian inshore fishermen, in that this will place better information in our hands and enable the regulations developed under ICNAF to be effectively policed.

I might add that Canada and the United States, by mutual agreement, have already been carrying out joint enforcement procedures. This very day, for example, Canadian patrol vessels are operating with U.S. coastguard vessels over Georges Bank and Browns Bank. Canadian officers are on U.S. coastguard vessels and, conversely, U.S. officers are on Canadian vessels, thus permitting enforcement by the vessels of either country on U.S. and Canadian flag fishing vessels. With international enforcement in effect it will no longer be necessary to have the extra officer from the other country on any given patrol vessel.

We are all concerned about overfishing. We need to establish rules in the North Atlantic fishery so that the fishery can be operated on a long-term sustained yield basis. We need rules also to make absolutely sure that Canadians get their fair share of the catch. This bill, which will allow our officers to board foreign vessels and officers of other member countries of ICNAF to do likewise with Canadian vessels, will help to ensure that this desirable state of affairs comes to pass.

Mr. Comeau: Mr. Speaker, may I ask the minister a question?

Mr. Speaker: The hon. member for South Western Nova (Mr. Comeau) seeks the floor for the purpose of asking a question of the minister. Is the minister prepared to answer?

Mr. Davis: Yes, Mr. Speaker.

Mr. Comeau: Can the minister tell the House what areas are affected by the convention and by this bill?

Mr. Davis: I understand that all the sub-areas—in other words, the total area encompassed by the Northwest Atlantic Fisheries Convention—would come under these provisions.

Mr. James A. McGrath (St. John's East): Mr. Speaker, we welcome this bill and the international convention that it ratifies, and we commend the minister for the initiative he has taken in helping to bring it about. But we regret that the government has chosen to bring in this bill just a few hours before the House is scheduled to recess for Easter, because the bill would have afforded us a unique opportunity to examine some questions of very great concern to those of us who come from the Atlantic provinces.

As a consequence of the government's strategy, we will not have that opportunity today. Hopefully, there will be other occasions before the session ends when we can

have a full-scale debate on the situation that prevails on the east coast of Canada with respect to our fishing interests and our international commitments in relation thereto, because this is of continuing concern to the many thousands of Canadians in the Atlantic provinces who depend upon the fisheries for a living.

• (3:50 p.m.)

In my province the fishing industry is still the keystone of the economy, and in my view will be for a long time to come. The treaty—I suppose it is a treaty, a convention or an accord within a treaty—provides that Canada will share the right with other member countries to board foreign ships with a view to enforcing the regulations under ICNAF with regard to the use of fishing gear and the implementation and enforcement of conservation measures. We hope this initiative is not too late. My hon. friend from Gander-Twillingate (Mr. Lundrigan), who has taken commendable initiatives in the whole area of conservation, will have something to say on that matter in the debate.

There is, however, one area about which I am concerned and in respect of which I believe this bill will be totally ineffective. I refer to trying to protect our Atlantic salmon fishery from virtual extinction as a consequence of overexploitation by the Danes off Greenland, because by the very terms of this convention we can enforce the regulations only within our own area. There is no way our fisheries patrol vessels, which are small in number and size, can adequately protect this Canadian resource from overexploitation by another country. I say "Canadian resource", because the tragedy of it is that our country spends substantial amounts of money annually to provide hatcheries and spawning grounds and to keep our rivers open and provide the necessary protection for our salmon which go up the rivers off the east coast of Canada to spawn, only to be, upon returning to the sea, scooped up in thousands of tons by the Danes to be taken to their country to be processed, canned and perhaps even shipped into Canada as canned salmon.

This is a new problem for us. It is a very recent one because only within the last ten years have the Danes discovered one of the greatest mysteries of all, the location of the North Atlantic feeding ground of the Atlantic salmon. The Danes discovered this feeding ground off the coast of Greenland. Since that time they have been harvesting these salmon, the product of Canadian protection and of Canadian waters, in tens of thousands of pounds.

As an illustration it might be worth while to place a few statistics on the record. The total Danish catch, in pounds of salmon, in 1960 was 220,000. In 1961 it remained at 220,000 pounds. In that year, however, they made their great discovery, and the catch went up to 661,000 pounds in 1962. In 1963 it went up to 1,100,000 pounds. In 1964 it rose to 3,306,000 pounds. In 1965 it was down again, but still substantially up at 1,760,000 pounds. In 1966 the figure was 2,865,000 pounds. In 1967 it was 2,865,000 pounds. In 1968 it was 1,300,000 pounds, and in 1969 it was 2,865,000 pounds. Estimates are not available for 1970.

It is interesting to note that our own catch of this valuable resource has remained virtually the same. Of course, there is a good reason for this. We have taken great steps to conserve this very important resource, important both as a commercial fishery and as a sports fishing industry in respect of tourism. Our catch has remained virtually the same at about three million pounds. The only difference is that we catch these salmon because they are a product of our scientific research, of our conservation policy and of the expense and effort we put into protecting our rivers from pollution, from poaching and from other things which would greatly deplete the stocks of salmon.

We have been notably unsuccessful in our efforts to prevail upon the Danes to substantially reduce their catch with a view to avoiding total extinction of the species. There is varying evidence in this regard, but I submit that unless something is done immediately the Atlantic salmon will be extinct in ten years. I think, therefore, we must, as a consequence of our failure to obtain meaningful agreement with the Danes, look at our position within ICNAF because this is supposed to be the international forum in which this type of agreement is reached. I want to know why we cannot get the Danes to reduce their catch of salmon.

Only a few days ago the Norwegians introduced regulations to reduce the catch of salmon off Greenland. So the Norwegians are concerned and are doing something about it. Also, just a few days ago our own minister issued a statement concerning new regulations aimed at protecting the species within our own jurisdiction. I am sorry the minister is not here. Perhaps he is more concerned with clean air and the rather attractive subject of pollution than he is with the cold, hard reality of dealing with this very important bread and butter industry.

Mr. Deputy Speaker: Order, please. The Parliamentary Secretary to the Minister of Fisheries (Mr. Corbin) is rising on a point of order.

Mr. Corbin: Mr. Speaker, perhaps the hon. member would allow me to explain that the minister has been called out of the House for perhaps ten minutes. I am taking notes and will keep the minister informed of the hon. member's points.

Mr. McGrath: Mr. Speaker, I was commencing to refer to a statement made on March 12 by the Minister of Fisheries and Forestry (Mr. Davis) in respect of the introduction of new and strong regulations aimed at preserving the species within our own jurisdiction. I might say I do not agree with many of these regulations. It would seem that the minister expects Canadians to bear the burden of the overexploitation being carried on by the Danes: Canadian fishermen must bear the consequences of the failure of this government to bring full pressure to bear on the Danish government to substantially reduce the Danish catch off Greenland. I think this is regrettable.

These regulations will in my province have the effect of denying to the people the traditional right they have enjoyed of catching fish any time they wish. We now

have regulations under which only people engaged on a full-time basis in the fishing industry will be able to obtain a licence to catch salmon. The same thing applies in the rest of Atlantic Canada, but it is especially objectionable to our province where the people have traditionally enjoyed this right. The hon. member for Gander-Twillingate understands the point I am making. Previously the people in our province, whatever their occupation may be, have enjoyed the privilege of going out and catching a few salmon for their own use or perhaps even to sell on the market. Now, however, these people are deprived of this right because of the failure of the government to obtain meaningful agreement from the Danes.

• (4:00 p.m.)

We have suggested in this House time and time again—and I am sure the minister has warmed to the idea—that the government impose economic sanctions on the Danish government if they will not comply with adequate conservation measures. Unfortunately our Minister of Fisheries and Forestry, in matters pertaining to international relations in the international fishery does not seem to enjoy the support or the good will of his colleagues in the government. Certainly he does not have the support of his colleague, the Secretary of State for External Affairs (Mr. Sharp), who should be most active in this area.

I should like to see the Secretary of State for External Affairs himself attend the next meeting of ICNAF which is scheduled to take place this June and at which these matters will come up for discussion. By so doing he will demonstrate to the other members of ICNAF who fish off our shores and who do not have the same vested interests in these fisheries that Canada has a great interest in this resource which we look upon as our own but which we are prepared to share with others.

I believe that the presence of the Secretary of State for External Affairs at the next meeting of ICNAF would demonstrate and underline the determination of this government in its external pursuits to protect the interests of Canadians, to protect this traditional, ancient and important Canadian industry, the North Atlantic fishery. Instead, we cannot get our minister to even open up negotiations with the French government with a view of reaching a satisfactory solution to the impasse in which we find ourselves with that country as a consequence of our ancient treaty obligations vis-à-vis the islands of St. Pierre and Miquelon which lie practically within our territorial waters. Because of the presence of France off Newfoundland we have not been able to obtain any meaningful agreement with respect to our territorial sea and fishing limits. We have pestered the minister time and time again in this respect.

To return to the minister's statement of March 12, he said:

> Not only do we have to talk tough to the Danes, but we also have to put our own house in order.

I submit to you that it is not Canadian fishermen who pose a threat to this very important fishery. I submit that the evidence which I have placed on the record, which is well known to the Minister of Fisheries and Forestry, indicates that the real culprit is the government of Denmark who are overexploiting this resource every year to the point where it will be virtually extinct in a very short time. Yet our fishermen have to bear the full brunt of the failure of the government to reach meaningful agreement with the government of Denmark.

We must be a joke in the international forum, especially in ICNAF, because I submit there is not one member of the 14 member countries of ICNAF who have a greater stake in the North Atlantic fisheries than does this country. Yet this country has gone in with half-hearted efforts in its attempts to deal with these countries and bring forward a meaningful agreement in terms of conservation. Something must be done, and it must be done soon before it is too late.

I have made a suggestion in this regard. I have suggested to the minister that he try to obtain the support of his colleague, the Secretary of State for External Affairs. A way for him to do this would be to invite his colleague to attend with him the next meeting of ICNAF, which I understand is to take place in June. At that meeting let the Minister of Fisheries and Forestry, supported by the government of Canada in the person of the Secretary of State for External Affairs, forcibly and dramatically put forward the case for Canada, and by so doing let them talk tough to the Danes and tell them that unless they bring in meaningful conservation measures, and unless they subscribe to our terms respecting what we consider to be sustained yield of this Canadian resource, we will have no alternative but to impose economic sanctions on Danish products coming into Canada.

That is the only kind of language the Danes will understand, and in my view that is the only way in which we can protect this important resource from virtual extinction. To put it mildly, that would be preferable to imposing penalties on our Canadian fishermen who are not the guilty ones.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, those of us who participated in the parliamentary action which originally ratified the North Atlantic Fisheries Convention viewed that action as auguring well for the future. We hoped that it would usher in a new era of rational management of the various fisheries of the North Atlantic on a sustained yield basis; that the breakthrough would herald the day of better things to come in the way of a rational use of the living resources of the sea throughout the world. Of course, many of those hopes have not materialized, as has just been indicated by the hon. member for St. John's East (Mr. McGrath).

Even while we were dealing with the bill that ratified this convention, we were aware of some of its limitations but hoped that the passage of time would bring about a realization that necessary improvements to it would be made. One of the limitations of the original convention is that any recommendations of the commission can have the effect of law only by unanimous consent, and any of us who are members of this House of Commons know that it is not always easy to get unanimous consent on a particular course of action. That is an inherent weakness

in the current situation so far as the effect of this treaty, in law, is concerned. I think that perhaps it lies at the root of some of the problems that were outlined in respect of the very existence of the North Atlantic species of salmon.

In addition to that, of course, the limitation in the original convention expressly puts the territorial waters of any of the countries involved out of bounds so far as the application of the treaty is concerned. I think this should be stressed in light of the remarks of the hon. member for St. John's East because, if my understanding of the situation is correct—I know that he is much more familiar with the geography of that part of the world than I—much of the salmon take of the Danes is within their territorial waters off the coast of Greenland.

• (4:10 p.m.)

This highlights some of the inadequacies of our ability to establish a rational arrangement under the rule of law on the high seas. In light of statements and statistics given to this House and to the Standing Committee by the Minister of Fisheries and Forestry (Mr. Davis), the result has been obvious. There has been a direct decrease in the annual catch, particularly of Canadian inshore fishermen, in recent years. This indicates that despite the provision in the treaty for scientific research into management of the resources, our high hopes for conservation of the various species when we put the parliamentary stamp of approval on this convention in 1954 are a long way from realization.

I think the House should understand that when we consider the modest proposals contained in the bill before us. These will certainly not bring an end to the problems in respect of the North Atlantic fishery, the survival of some of the stocks and the maintenance of the income of Canadian fishermen. Very startling things have happened since 1954. At that time few of us realized the technological changes that would bring about huge, highly mobile fleets travelling the high seas of the world with the support of mother supply ships. The countries historically concerned with the Northwest Atlantic fishery are today by no means the only countries involved. There is an indication of this in the adherence to the treaty since the original signing of a number of other nations, notably the U.S.S.R. and Japan. When this bill was originally put through Parliament it did not occur to me that one of the signatories of the Northwest Atlantic fisheries treaty would be Japan. We in British Columbia tend to think of that country as a Pacific fishing nation.

This is undoubtedly one of the compounding factors in the decline of many of the resources of the northern Atlantic, Mr. Speaker, and although the commission has not yet come to grips with it they will have to do so in the future. Obviously, no nation is more concerned with the success of the work of the commission than Canada. While it is true that many of these resources lie in what traditionally has been regarded as the high seas, nevertheless what we are discussing are to a large extent Canadian resources. I think we must make it clear that we regard them as such, and that while we have no desire to take a "dog in the manger" attitude toward the resources of the sea adjacent to our shores, our special position can and must be recognized by other countries.

I think we would all agree, Mr. Speaker, that the proposals in the bill represent a modest improvement in the terms of the original treaty. It proposes to strengthen the policing powers, and I suppose it says something for the years of association of the fishing countries of the Northwest Atlantic that they are prepared to agree to mutually policing the vessels of member countries.

It seems to me that ancillary to the passage of this measure perhaps Canada should undertake more adequate policing than it has in the Northwest Atlantic. Because of the special interest and importance of this area to Canada, and in particular to the Atlantic region, I suggest that within the limits of this new arrangement we should take full advantage of the opportunity to ensure that the regulations put forward by the commission, and accepted, are in fact enforced. This may require larger expenditures by the department but I think it would be well warranted.

Having said that, Mr. Speaker, I think we must recognize that many of the basic problems will remain unsolved after the passage of this measure. It seems to me that the situation is highlighted by the recent action of the minister with regard to cutting back on the Atlantic salmon take of Canadian fishermen and by the depletion of resources available to fishermen on the Atlantic coast. It underlines the need to have a Minister of Fisheries in Canada.

While I do not want to enter into debate on another bill, the fact that we are to enter into important international negotiations when the commission meets in June, the fact that we will have to speak out strongly and firmly to the Danes, the fact that the other bill makes no provision for any reorganization of the Department of External Affairs, the fact that our international relations pertaining to fisheries have been carried out by the Department of Fisheries and Forestry in the past and that our Department of External Affairs has had no structure to deal with these issues, underlines the fact that when we go to an international convention we need someone who can speak for us officially, with the prestige of being the Minister of Fisheries for Canada.

• (4:20 p.m.)

To me this underlines the fact that at international conventions, quite apart from other gatherings, we need someone with the title and prestige of Minister of Fisheries for Canada. I say that because the kinds of questions surrounding this little amendment to the international convention highlight a worldwide situation. The amendment highlights whether the law of the jungle is to prevail on the high seas, whether there is to be ruthless exploitation and extermination of the living resources of the sea or whether we are to move to something better so that those resources will be managed and used for the benefit of mankind under the rule of law. These are the kinds of questions that come to my mind as I consider the ramifications of the bill before us.

When we arrive at the point at which these crucial decisions must be made they might relate to new agreements or new régimes regarding the exploitation of resources, or to the suggestion made by the hon. member for St. John's East, that is, to the threat of sanctions against other nations which will not give due recognition to our needs and requirements—I hope that our own house will be in order so that Canada can speak with an effective voice in these international councils.

These considerations are important, not only for a particular industry in this country but also in the long range, as many distinguished scientists and others have suggested. In the long run, the survival of the human race may well depend on whether we learn properly to use and manage the resources of the sea, particularly the rich, living resources of the sea which can provide an important part of the total food requirements of the human race.

I say in conclusion, without speaking in detail about the situation regarding Atlantic salmon which was the subject of the speech of the hon. member for St. John's East, that I regret that the minister felt he had to take the steps to impose the kind of restrictions upon the Atlantic salmon fishery that he recently announced. May I also say in passing—this may surprise the hon. member for St. John's East that the fishermen in British Columbia would be much happier if the restrictions which we know must be imposed in British Columbia with regard to the licensing and taking of the salmon resources of the Pacific were based more on the principles which the Minister of Fisheries and Forestry followed in respect of the Atlantic fishery, rather than on the approach, technique and philosophy that the minister adopted with respect to the Pacific resources.

It seems to me, Mr. Speaker—and I am referring particularly to the Atlantic salmon situation—that we all hope that Denmark will follow the obviously sensible course of embarking upon some kind of reciprocal arrangement on the utilization of that resource. Perhaps the arrangement could be similar to some of those we have been able to work out with nations on the Pacific coast. Although those arrangements have not worked out ideally or to the complete satisfaction of all fishermen of Canada or the United States over the years, nevertheless there have been situations, such as the one respecting the fishery of the Fraser River, in which an obvious and common sense arrangement was worked out for sharing the catch.

It may very well be that that kind of arrangement could be worked out as far as the Atlantic salmon is concerned, because we must consider that apparently their feeding grounds are within the territorial waters of one of Denmark's possessions. I hope that will be the upshot of any discussions, Mr. Speaker, because I for one hope we can deal with this matter rationally. I hope that the kind of confrontation suggested by the hon. member for St. John's East will not become necessary.

When the bill goes to committee we shall want to hear further particulars about the work of the commission, how this proposed policing arrangement will be carried out, by whom it will be carried out, and that sort of thing. When the bill comes back to the House for third reading I hope we will view the picture somewhat more optimistically than we can view it on the basis of the facts now before us.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, first may I congratulate the hon. member for St. John's East (Mr. McGrath) for putting into perspective for the first time in this House, so far as I am aware, the problem of the salmon fishery as it relates to the Danes. He presented a substantial argument against some of the actions of the minister who has placed the blame unfairly on the shoulders of Canadian fishermen and not squarely on the shoulders of the Danish government, where it belongs. I thought his presentation was commendable.

Bill S-13 is a very minor piece of legislation. Even so, we support it. I think that the ratification of the International Convention on the North Atlantic Fishery in June, 1970, was a good beginning to the solution of a particular problem. In his presentation I thought the minister made a rather puny attempt to indicate the extent of the effort the Canadian government has made to bring about changed conservation methods on the Atlantic coast that have been recommended for 22 years by the members of ICNAF. He talked about regulations which have been adopted. He talked about mesh sizes of nets, the idea being that only fish of a certain size would be taken. He talked about the mistake of overfishing on the Georges Bank, and especially the overharvesting of haddock. Mr. Speaker, it is inexcusable that the minister did not stand in the House today and outline in substantial detail the efforts the government has made in the conservation of our resources.

In my effort to bring some perspective to this problem I will try to outline the history of our fisheries on the one hand and the history of our conservation efforts in the last 22 years on the other. Perhaps I ought to call our conservation measures efforts at conservation, or promises of conservation. According to our history books, our fisheries started in the latter part of the fifteenth century. Anyone researching our history books will find that codfish supplies were plentiful at that time. Actually, codfish was the staple diet and industry of the people who eventually formed the Canadian nation. Codfish was so plentiful, according to reports I have read, that it was possible to dip up the fish from the shores and beaches of what eventually became Newfoundland. According to stories, harvesting methods were very simple: fishermen had only to go out a little distance, lower their nets or their baskets overboard and bring up a plentiful quantity of codfish. This primitive method of harvesting was possible mainly because of plentiful supplies.

• (4:30 p.m.)

Throughout the years there have been various developments. We have gone through the stage of having 30 or 35-foot boats. These are still in use. People have used traditional methods such as trawling, the use of codjiggers and handlines. The fish harvested were in plentiful supply. Traditional Newfoundlanders as well as present-

day fishermen use large cod traps, about the size of this chamber. These are sunk in the Atlantic ocean. There are particular methods of allowing fish to get into these traps. Great boatloads of cod were harvested that way. Cod was in plentiful supply in every little cove around Newfoundland.

Our forefathers, the original inhabitants of what is now Canada, sailed from the island of Newfoundland to Labrador where they did one of two things. Some settled in the small coves, bays or inlets on the Labrador coast. They went out in their small boats with their cod traps and harvested great quantities of fish. Others would remain on their larger vessels or schooners, 100 to 200 feet in length, and spend the summer on their boats using cod traps. They would process their product on board the vessel.

Perhaps the minister is not aware that Newfoundlanders used to travel to Labrador in great fleets of schooners long before Russia was known as a fishing nation. There are great communities in my constituency, such as Greenspond, the home of the hon. member for St. John's West (Mr. Carter). Before the schooners left the harbours of these communities in the spring to go to Labrador, their masts looked like a great forest of timber as they stood at mooring. The minister knows what I am talking about. I am referring to the masts used for their sails. It was possible to walk across the decks of the schooners in the harbours at Bonavista Bay and Notre Dame Bay, the home of the great schooner builders and captains. All these harbours were literally filled with schooners. Under the guidance of the captain, homespun in their home town, the members of the various communities boarded these vessels to sail to Labrador to reap the benefits of the great fishery there. The Labrador fishery was so plentiful that traps placed in little coves or inlets were filled with great, beautiful black cod. These cod are now declining. This is the history of our fishery.

In recent years we adopted new technology: we became more involved in gill netting and dragging operations with longliners, boats approximately 65 feet in length. The operation of draggers is a very important part of technology. We are not very far advanced toward other stages of fisheries. It certainly cannot be said that our traditional fishery was not competitive with that of other nations. As a matter of fact, we were the vanguard of fisheries in the world 20 years ago as far as Canadian waters were concerned.

I wish to deal with events since 1949 when Newfoundland became part of Canada. As the minister stated, this was the same year that the International Commission for the North Atlantic Fishery came into existence. That board now has 15 members from Scandinavian, Iberian and western Europe countries as well as the United States and Canada. These countries' representatives have been making recommendations in the hope of controlling the harvesting of marine resources in order that we will have a sustainable yield of our marine resources. The board has been meeting since 1949. The number of members has been increased. This commission made annual reports, all of which recommended certain managerial procedures to be adopted by the member countries.

Another type of activity was manifested in a number of Law of the Sea conferences, the most important of which was at Geneva in 1958. At that conference international agreements were reached among nations which had a particular interest in the seas. There is a particular name for these nations; they are called maritime nations. In 1958 these nations agreed there should be a definite responsibility on the part of nations which were taking resources from the sea, to manage the resources. To use Canada as an example, there should be a definite responsibility on the part of Canada to enforce managerial control and conservation measures in the waters adjacent to its territorial sea in the event that we should not reach international agreement for such conservation measures. I think I am quoting the article correctly. I believe it is article 14.

In any event, the articles of the 1958 agreement stated that Canada could unilaterally impose conservation measures, quotas, closing areas, limits of technology, such as the number of ships and gear, and the like on the continental shelf, which extends 400 miles off our shore, if Canada could not reach international agreement with the nations that harvest our resources. This is an international agreement. I think it was unanimously agreed to at the Law of the Sea Conference in 1958.

Another date of particular note is 1964, when the then Prime Minister of Canada launched his great Magna Carta for the development of Canadian fisheries Canada and the protection of our marine resources. He promised Canadians that we would impose a 12-mile limit as the first step toward conserving our resources. Another noteworthy date was reached in 1970. Canada met with the U.S.S.R. as a result of tremendous political pressure regarding incidents on our west coast involving collisions between Russian ships and our fishing schooners or vessels. Because of tremendous political pressure in the minister's constituency and elsewhere on the west coast of Canada, representatives of the U.S.S.R., British Columbia and the federal government reached certain agreements about the Russians fishing offshore and using west coast ports.

In 1971 another event deserves note. Approximately 60 foreign vessels were inside our three-mile limit off the southwest coast of Newfoundland. This occurred only a few weeks ago. The Minister of Fisheries and Forestry (Mr. Davis) decided to impose a 12-mile limit on all vessels, including Canadian, on a very small portion of the southwest and west coasts of Newfoundland. This was the first response to the promise made by the Pearson government in 1964. The history of this particular problem goes back 22 years, ever since ICNAF and Law of the Sea conferences have been making recommendations. The response to this by the present government and previous governments has been puny and ineffective. For example, the minister stated that we have had the imposition of quotas on George's Bank. As a matter of fact, the fishing of haddock is not permitted by any nation at the present time.

I have referred to the situation in British Columbia, to which we received a response. I have mentioned the 12-mile limit on the southwest coast of Newfoundland. In 1973 the maritime nations will again meet at a Law of the Sea conference. These are positive steps and I do not criticize them. However, the fact is that since 1949 nations that were unheard of as marine nations have become involved in the harvesting of our resources. The greatest predator is the U.S.S.R. I do not know if Germany is the second greatest competitor of the Soviet Union, but I believe she is.

• (4:40 p.m.)

There are times when the vessels of more than 20 nations are fishing off our continental shelf. Countries such as Algeria are now constructing fishing fleets hoping to be able to take advantage of the historic rights of France and to operate under the French flag off our coasts. Roumania—this was unheard of in years past—now has great fleets of vessels quite unlike our own small draggers or inshore fishing craft, great processing vessels and dragging vessels which literally declare war on a fishing area. One billion pounds of fish was taken in one year from Hamilton Inlet Banks, the great spawning ground of the Labrador fishery, enough to occupy the largest fishplant in Gander-Twillingate employing 350 people for 100 years. In that year the Soviet Union took 25 per cent of all the fish on the Hamilton Inlet Banks, according to authoritative reports and statements from the Department of Fisheries and ICNAF. The Soviet Union took 250 million pounds of fish from those banks.

The following years saw a decline in the Labrador fishery to the point at which thousands of our Newfoundland fishermen went to the fishery only to come home empty-handed. The fishing was a complete and utter failure. The minister knows why the Labrador fishery has failed. It was the tragic result of overfishing. The oldest traditional fishery in the world, certainly the oldest in North America, has been destroyed; it has been a disastrous, total failure in the last three years as a result of overfishing on the spawning grounds. I invite hon. members to imagine the coast of Labrador. Some 250 miles off Grosswater Bay we come to Hamilton Inlet Banks. Hundreds of vessels were fishing there day after day. The minister knows what happens. He has talked about it on television. He knows how Soviet vessels operate.

Again, let us take what happened on Georges Bank as an example. Three or four years ago news went around that Canadian fisherman were getting good catches of haddock there. The Russians declared war on Georges Bank. They went in with great fleets of ships; it is their practice to move in packs of between 20 and 60 ships. They have 40 ships operating there, including factory ships, medical supply vessels and everything else—a whole community. They declared war on Georges Bank and in that year they destroyed the haddock fishery to the point at which the chances of its spontaneous recovery are most unlikely. Biologists in the Department of Fisheries tell us that depletion of stock may have reached the stage at which natural processes cannot replenish it. This is the result of overfishing.

Now the minister tells us we should impose quotas and restrict fishing on Georges Bank. He can do this for a very good reason: there are more haddock in Lake Ontario than there are on Georges Bank at the moment. He is able to impose restrictions on fishing in the area because there are no more fish there. The depletion of stocks had reached such proportions that everyone realized that the time for action had passed. Everyone in Canada interested in the fisheries knew that stocks had disappeared by the time we got round to taking action.

The minister tells us about the patrols we are carrying out, the great effort which Canada is making. At a time when there were 60 foreign vessels off the southwest coast of Newfoundland a few weeks ago, the Canadian response was two small ships trying to patrol the whole of the Gulf of St. Lawrence and the coast of Newfoundland. One is a 65-foot vessel called the *Cape Freals*. It would have trouble navigating the Rideau Canal in a high wind. Indeed, it would be just as effective on the Prairies as in the Gulf of St. Lawrence.

The minister says they are doing a great job, that the crews are even working overtime while still keeping within the departmental budget. He says "You must remember that these men must rest from time to time; they must have time to themselves; they must have weekends off." What a shame, disgrace and embarrassment for the Canadian nation to treat its fisheries, to treat its sovereignty, to treat its territory in this way! The department sent in two capable aircraft when the situation had reached the point at which the fishermen themselves were threatening to take up arms to assert their rights. What a response to a threat of the kind we have been facing!

The minister was warned what was likely to happen. Members on this side of the House have made numerous recommendations and I shall repeat some of them today. We have asked that Canada take immediate steps to convene a conference in lieu of a Law of the Sea conference—the next to take place two years from now. We have urged that Canada convene a conference on marine resources in order that the nations of the world involved in the fishing industry might sit around a table and talk about conservation and management as a first step. This should have been done in 1959 following the Law of the Sea Conference at Geneva. Canada was given the right to ask the nations of the world to attend a conference to discuss this subject and if after six months they refused to agree on conservation measures, then Canada could take unilateral action. This was never done.

We have asked that the Canadian government impose a 12-mile limit right around the coast of Newfoundland and the coast of Canada. We have asked that the Canadian government enforce the laws which it has had on the books since 1964 and which have been brought forward under various guises since then. We have asked the government to take the question of our sovereignty over

territorial seas seriously since among other things this directly affects the livelihood of so many of our people. We have asked that the government use National Defence facilities to enforce the laws of Canada in this area. We have asked that the government recommend quotas to the various nations which are engaged in harvesting our resources. I understand that the Soviet Union, for example, is willing to talk about quotas, to talk about restricting catches and the number of boats and the amount of gear which may be employed. After all, Russia too has been getting an increasingly small return on the total capital and technology invested in its fishing fleet. Indeed, they are getting an even smaller return per man-hour than we are.

The simple fact is that Canadians are not willing to give the fisheries any degree of priority. The reason is, I believe, that when many people think of Canada they think only of the central heartland, of the Montreal-Toronto complex. They think of a power structure which is basically in tune with manufacturing industries, and I do not think they are prepared to lift a finger which might upset the delicate international balance which presently exists. They certainly are not prepared to lift a finger on behalf of our fisheries.

• (4:50 p.m.)

Various North and South American and European nations are launching new initiatives in the area of marine resources, which is one of our great frontiers of resource development. But Canada has crawled into a shell in this regard. I say, as I have said before, that as long as we have the present incumbent in charge of the External Affairs Department, a man with the backbone of a marinated herring, we will not have any action with regard to marine resources. If you were to read the proclamations of the minister of external affairs, Mr. Speaker, you would find that he wrote off fisheries as early as 1952 as a poverty endeavour. He never took the trouble to enlighten himself on the fact that this is one of our great frontiers of Canadian development, an area that could pay dividends to the nation as a whole.

The Minister of Fisheries has not heard a word I have said because he has been talking to his colleagues. This is an indication of his interest in fisheries. He is conducting a slow but deliberate policy of withdrawal from the fisheries into the more sophisticated area of environmental control, air pollution, cleaning up the Eddy match factory and the sewage emptying from the Prime Minister's residence on Sussex Drive. He has taken on this new image of Mr. Clean. We do not even get the response we used to get to the mail we send the Minister of Fisheries. He is now too busy acting as the big brother in the Canadian cabinet. He has no more time for the fisheries.

If the minister wants to enjoy a healthy political life in this House of Commons, he had better change his attitude. We have lots of time to discuss the plight of the fishermen of Canada, and whether this government likes it or not we will get the government to take action that benefits the fishermen. That is, if the government wants to conduct the business of this House in a sane and satisfactory manner. The Minister of Fisheries should listen to people who know something about the fisheries, such as the hon. member for St. John's East and other of my colleagues from the Atlantic provinces. When they make recommendations to the Minister of Fisheries, he should listen damn carefully and try to encourage his colleagues, the flower-powered Prime Minister and the fellow who sits to his right to do likewise.

He should imbue these men with a knowledge of fisheries and impress upon them the importance of our marine resources. Let him keep them on their toes so that we have some action. We are becoming a little disillusioned at the responses of this government in the area of marine resources. It is time the government, which is interested in a just society, dished a little of it out to the fishermen of Canada in all our provinces.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my intervention will be very short. This is the last day of the session before Easter and I learned of this measure an hour or so ago. I agree with what the hon. member for St. John's East (Mr. McGrath) and the hon. member for Gander-Twillingate (Mr. Lundrigan) have said and I have no wish to repeat it.

This bill is a step in the right direction, something which as far as I am concerned we need. Other members have talked about depletion of our fisheries. I am concerned about what we do if certain countries fail to participate in this convention. How will we be able to control their activities in this field? I should like to know how many nations are contracting parties to this convention. If I understood the minister correctly, the agreements have not yet been signed but are about to be signed. I think every effort should be made to see that at least the ICNAF nations sign agreements; but those countries who are not party to ICNAF should also be made aware of the convention and be asked to participate in it.

There is no question that the Canadian government should afford protection to our inshore fishermen as well as to our offshore fishermen. Much concern has been expressed recently about herring stocks, for example. A few years ago an international convention was held in Fredericton which was attended by many scientists. I know scientists are wrong sometimes and therefore I do not criticize them, but most people who attended this convention predicted that the herring stocks off the Atlantic coast would never be depleted. Encouragement was given to produce herring meal and all kinds of plans were made to harvest herring in one form or another.

Now we find that some of the herring processing plants are having to close three years after this convention. Obviously something has gone wrong. In addition, other parts of the fishery that use herring meal have been affected. Fish that feed on herring are now less plentiful. In my province we hold a tuna fishing contest for the tourists every year, but in the last two years there have been no tuna to fish because of the herring shortage.

These are a few of the repercussions of the herring shortage upon the fisheries and this is why we need protection.

This bill will also enable us to check amounts of fish caught by other countries. I think of the lobsters that are caught on Georges and Browns Banks, where the United States has traditionally fished for large lobsters, cod that is fished by other countries and haddock which is pretty well depleted now. In addition we need new beds for scallops. I hope that this bill will permit us to make investigations and will provide some check on stocks of these fish.

It is no use my giving the House statistics—this has already been done and time is moving on—of the number of vessels fishing off our shores in the last few years. There have been hundreds and hundreds of them. I think of certain areas on Georges Bank, for example. As I say, our inshore as well as offshore fishermen are experiencing difficulties. However, I do not think we can adequately deal with this question on the last day before Easter. I hope we will be given the opportunity, either in committee or elsewhere, to study in great detail the problems facing our inshore fisheries. I am concerned to see how effective the bill will be and I hope it can be enforced.

Motion agreed to, bill read the second time and referred to the Standing Committee on Fisheries and Forestry.

* * *

MESSAGE FROM THE SENATE

The Acting Speaker (Mr. Richard): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed the following bills to which the concurrence of this House is desired: Bill S-15, an act respecting the consolidation of the Income Tax Act in the printed roll of the Revised Statutes of Canada, 1970; Bill S-16, an act respecting Mic Mac Oils (1963) Ltd.

• (5:00 p.m.)

GOVERNMENT ORDERS

GOVERNMENT ORGANIZATION ACT, 1970

PROVISIONS RESPECTING DEPARTMENTAL REORGANIZATION, MINISTRIES OF STATE, PARLIAMENTARY SECRETARIES, ETC.

The House resumed from Tuesday, April 6, consideration in committee of Bill C-207, respecting the organization of the government of Canada and matters related or incidental thereto—Mr. Trudeau—Mr. Richard in the chair.

The Acting Chairman (Mr. Richard): Order, please. When the committee rose last evening clause 14 of the bill was being considered.

Government Organization Act, 1970

On clause 14—*Establishment of Ministries of State.*

Mr. Drury: Mr. Chairman, during the course of the discussions a number of representations were made to the effect that if this particular clause and the subsequent ones looking to the creation of ministries of state are passed, this will provide the House with a final opportunity to examine the necessity for, the reasons in favour of, the *modus operandi* of and generally the conduct of the ministries of state that are to be set in place by proclamation.

Account does not seem to have been taken of the fact that while it will be possible, if this bill is passed, to establish a ministry of state by proclamation, the funds necessary for its operation will have to be provided in the usual fashion through the estimates, and that this will provide an occasion for inquiry into, questions to be asked and observations made in relation not only to the operations but also to the structure and, indeed, the necessity of the ministry itself. However, in spite of this, Mr. Chairman, and in an endeavour to exhibit a measure of co-operation to the House, we are prepared to propose an amendment to clause 14 and, as a consequence, an amendment to clause 16 which would provide the House, subsequent to the proclamation of a new ministry, with an occasion to express its view regarding that particular ministry. This would be done in the form of a negative resolution of the House of Commons, a rather new and as yet untested device for which provision was made for the first time in Bill C-182 which passed the House about a month ago and which is now before the Senate.

That bill provides for an amendment to the Interpretation Act, which in turn provides for this new instrument, a negative resolution of the House of Commons and gives statutory or background effect to it. In order, then, to offer the opportunity to the House, following proclamation, to express its disapproval if such be the case—I must confess that I find it hard to imagine a case when the House will be constrained to express its disapproval, so this will be a highly exceptional procedure—and in order to provide all the necessary safeguards, whether needed or not, I would move:

That Bill C-207 be amended by striking out lines 22 and 23 on page 9 thereof and by substituting therefor the following:

"the Governor in Council may, by proclamation, subject to negative resolution of the House of Commons, establish a Ministry of State for that"

I have here copies in English and French of this amendment relating to clause 14. It might be of interest and perhaps convenience to the committee if I also suggested a similar amendment to clause 16 which provides for the same negative resolution in the event that changes are made in an existing ministry of state. This amendment would read:

That Bill C-207 be amended by striking out line 6 on page 6 thereof and by substituting therefor the following:

"proclamation, subject to negative resolution of the House of Commons, change, from time to time,"

I also have this amendment in French, Mr. Chairman.

The Acting Chairman (Mr. Richard): Order. The following amendment has been moved by the President of the Treasury Board:

That Bill C-207 be amended by striking out lines 22 and 23 on page 9 thereof and by substituting therefor the following:

"the Governor in Council may, by proclamation, subject to negative resolution of the House of Commons, establish a Ministry of State for that"

Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Chairman, shouldn't it be page 5?

The Acting Chairman (Mr. Richard): The reference in the English text should be to page 5, although it was typed as page 9. It is also to be moved by Mr. Drury—I am just reading this for information at the present time:

That Bill C-207 be amended by striking out line 6 on page 6 thereof and by substituting therefor the following:

"proclamation, subject to negative resolution of the House of Commons, change, from time to time,"

Mr. Baldwin: Mr. Chairman, I shall try to be as brief as the minister was, and because of the tone of his speech and his proposal, which we accept as being conciliatory in an attempt to co-operate with all parts of the House, I will not repeat the objections that we have taken to clause 14 in its present form. They are on record and speak for themselves. The minister's approach has been reasonable. He has attempted to find common ground. There have been discussions, as there always are in this place, to see if there was not common ground, and now the minister has come quite a distance. I do not think he has come far enough but I will indicate how far we are prepared to go. It may be that the final mile will be worked out, if not today then at a later date.

An hon. Member: In three or four months' time.

Mr. Baldwin: No, that is not so. The government has made its position clear and we are entitled to make our position clear. I have before me the bill amending the Statutory Instruments Act and I think I am entitled to quote from it because the minister indicated that this is a new and novel procedure. The expression "subject to negative resolution" is contained in clause 28 of that bill, at page 17. I refer to Bill C-182 and I quote:

—the expression "subject to negative resolution of Parliament", when used in relation to any regulation, means that such regulation shall be laid before Parliament—

For "regulation" we substitute the word "proclamation" here.

—within fifteen days after it is made or, if Parliament is not then sitting, on any of the first fifteen days next thereafter that Parliament is sitting and may be annulled—

Mr. Drury: Mr. Chairman, I would suggest that the hon. member read paragraph (d) because my amendment relates to "negative resolution of the House of Commons."

Mr. Baldwin: The minister is quite correct. That paragraph reads:

—if the House is not then sitting, on any of the first fifteen days next thereafter that Parliament is sitting and may be annulled by a resolution of the House of Commons introduced and passed in accordance with the rules of that House.

• (5:10 p.m.)

The problem we see on this side of the House is a very practical one. An onus would be placed on an opposition party or a private member to secure ways or means by which he could have it annulled. It would be quite impossible, for example, for a government backbencher to do this because at the present time the procedure of using an opposition day is denied to all except those in opposition to the government. So if there should be a backbencher on the government side or a government member who should decide to move by way of negative resolution, he would be denied that opportunity.

It may well be that some time in the future this House might get around to enacting changes in our Standing Orders which would make a negative resolution an effective procedure, but so far it is not effective. I say there is no practical way in which a negative resolution can be of use at the present time. So, Mr. Chairman, I shall come right to the point. We propose an alternative. At one time I considered moving this as a subamendment, but in light of the amendment moved by the minister I doubt if this could be done. Therefore, perhaps I might place it on the record as an indication of our view, although I would move it as an amendment if I thought I would be in order.

It is our view that instead of having a negative resolution we should have an affirmative resolution. Let me read an affirmative resolution. I am referring to section 28A(1) (b) in clause 28 of the statutory instruments bill:

the expression "subject to affirmative resolution of the House of Commons", when used in relation to any regulation, means that such regulation shall be laid before the House of Commons within fifteen days after it is made or, if the House is not then sitting, on any of the first fifteen days next thereafter that the House is sitting and shall not come into force unless and until it is affirmed by a resolution of the House of Commons introduced and passed in accordance with the rules of that House;

That places on the government the responsibility to seek and secure some procedure. The government is much more able, because it has command of the government's time, to bring forward a resolution in the House of Commons and seek approval of that resolution. The minister may say this might cause a considerable amount of difficulty in the interval. Mr. Chairman, let us take parliamentary notice of the fact that very rarely does a year pass when this House is not in session for approximately nine months, and there is very rarely a calendar year when Parliament is not sitting for a period of three months.

The government has the means at its disposal under existing legislation to cope with the situation in the interval through the means of appointment of either a minister without portfolio under the present practice or, as the case might be, a minister of state under the new practice—I am not talking about the establishment of ministries of state—and provide that under the Transfer of Duties Act the minister without portfolio or minister

of state so appointed may during his period of office execute and carry out the duties required which would place the onus, as it should be, upon the government of seeking from this House immediately or if Parliament is not in session, within 15 days of the proclamation, the required authority.

The difference between negative and affirmative of course is very substantial, but it is not so great in this particular instance when we examine it. Under the present rules we would be giving up an entrenched parliamentary right by adopting this amendment. If the minister is prepared to consider this and also to consider the proposal made by my hon. friend from St. John's East in respect of an amendment to part II concerning the department of the environment—I understand there is disposition to work out something in respect of the use of the word "fisheries" in that part—it might well be that matters might be resolved.

All I can do at this point is read the amendment I would have moved had the minister not proposed his motion. I believe I am estopped from presenting it now as a motion because I do not think I can amend the minister's motion. The amendment I would have proposed is the following:

That clause 14 be amended by renumbering it as 14(1) and adding 14(2) as follows:

"14(2) Any such proclamation shall be subject to affirmative resolution of the House of Commons."

That would provide the kind of safeguard I think this House is entitled to have before clause 14 in its present form is passed.

Mr. Drury: Mr. Chairman, the House leader of the official opposition suggested one should controvert the proposed amendment from negative to affirmative. I have listened with considerable care to his suggestion and find it rather difficult to accept. The only reason given for preferring the affirmative rather than the negative resolution is that to rely on the negative alone would deprive members on the government side of their ability—

Mr. Baldwin: That is not the only reason. It is one reason.

Mr. Drury: —to speak out against giving effect to a bill or proclamation made obviously with the consent of the government. I do not feel this is a serious deprivation of the rights of Members of Parliament. It offers the serious disadvantage, as the hon. member has pointed out, when the House is not in session of requiring the use of—I will not say "improper"—cumbersome and rather difficult procedures if one is to avail himself of the flexibility and usefulness of this kind of instrument to achieve the national purpose.

This of course can be set right, when the House reassembles, by the government using government time for what might turn out to be the kind of debate we have had on this occasion, when everybody is in favour of a department of the environment and yet after some 15 days unfortunately we have not reached agreement.

The hon. member suggests the government should subject itself to this kind of possibility and yet we are offering to Parliament, if it should disapprove, the ability to make its disapproval known and to withhold the particular proclamation in respect of the setting up of a ministry. The possibilities are clear. They are there; they are open. If they should not be effective it would merely be because the mover and seconder of such a motion could not carry the House. I do not think we should be envisaging procedures which enable, as I mentioned last night, the tyranny of the minority to prevail.

I am not sure we could conclude this debate tonight, and perhaps the best thing to do would be to envisage an early termination of these proceedings. However, before doing so I would ask the indulgence of the committee to raise a point in respect of a clause we have not yet reached, clause 27(3) of part VII, on page 12. Subclause 3 of clause 27 provides, in effect, that the early retirement provisions will be available only in respect of persons who cease to be employed in the public service after the coming into force of this act.

• (5:20 p.m.)

When the act was introduced early in February it was assumed that its passage would be possible prior to April 30. This does not appear any longer possible. In the meantime, plans have been made for lay-offs of employees at two national defence bases in the province of Manitoba, at Rivers and Gimli, and the notices are effective in a number of instances on April 30. If the bill is not passed by then and the lay-offs occur, those who are laid off will not be able to take advantage of this early retirement clause as we had planned and hoped they would.

So, Mr. Chairman, I must give notice that when the House resumes consideration of this bill we will propose an amendment to subclause 3 on page 12, which I hope will be accepted, which will provide that the benefits of the early retirement amendments will be applicable to those who cease to be employed after April 30, 1971.

Mr. Baldwin: I think I am able to tell the minister that provided he can establish a meritorious case for the passage of subclause 3 we will have no objection to such an amendment as may be required to give it retroactive effect. The onus will, of course, be upon him and the government to establish that it is a clause which needs to be passed.

Finally, I want to correct the impression which the minister was trying to create, that the only reason I was raising a question on the affirmative resolution was that I was deeply concerned about backbenchers on the government side. That is true to some extent, but I would point out most categorically that I also said there is no current procedure laid down whereby a negative resolution can be employed. As I read the Standing Orders, we would be in the position of having to move a motion, which would

be a private member's motion. Under those circumstances it would take its place somewhere toward the end of the list, so we might wait for a long time.

I do not think, however, that there is very much difference between us. I give my understanding that I will look seriously, and so will my colleagues, at what the minister has had to say and at his resolution. I urge him to look also with care and seriousness at the amendment we offered, trying to look at it from the point of view of those who will have to carry the burden of having to establish a case in some way or other by a negative resolution, which will be a difficult problem. The difference between us is not that great and I hope that the minister between now and when we come back to the bill will have an opportunity to do as I urge.

Mr. Knowles (Winnipeg North Centre): Mr. Chairman, I wish to say a word on the amendment which the President of the Treasury Board suggested the government would like to make to subclause 3 on page 12 of the bill. I say to him that from the contacts I have had with a number of public servants an amendment of this order will be very welcome, and even though the committee of the whole has already passed clause 27, I trust that the necessary consent will be given so that the amendment can be made. If that consent is not given, I shall offer my services to the minister to try to find some other way in which to do it.

However, there are two points that I would like to make. I gather the minister is making this announcement now so that those affected will know that this provision will apply not only to those who may be dismissed at the end of April but to public servants who may voluntarily decide to withdraw at the end of April. The minister is looking at me in a way I do not quite understand.

Mr. Drury: It is I who do not quite understand.

Mr. Knowles (Winnipeg North Centre): The minister said that what made this kind of amendment necessary was that certain people will be dismissed at Rivers and Gimli as of the end of April, but the provisions of the early retirement are available two ways, to those who are dismissed and to those who on their own initiative decide to retire. There are certain people who in anticipation of this bill are planning to retire and pursue other activities. I would just like him to be clear that the right of people who are in service on April 30, whether they are fired or leave voluntarily will be covered by this amendment.

Mr. Drury: Mr. Chairman, the hon. member is much more of an expert in this than I am, so I hesitate, without grasping clearly what he is getting at, to make what appears to be a categorical statement. But let me say that what we hoped to do here was to cover by the passage of this bill prior to April 30 those whose jobs were in effect disappearing at Gimli and Rivers. Because of the non-passage of the bill, it is necessary to make an amendment which will neither extend nor restrict the provisions of the bill as they now stand. It will not make it applicable to either a greater or a lesser group but to all those who are contemplated here had we passed the bill today.

Mr. Knowles (Winnipeg North Centre): I think that covers it, Mr. Chairman, and I am sure that when the officials in the department get at this they will make sure that the wording of the amendment which the minister will bring in will cover it. I know I am an old hand at nit-picking, but may I raise one other point. The minister referred to people who leave the service after April 30. I hope he meant "on or after April 30". In fact, let the amendment be drawn in such a way that there is no problem concerning people who leave at the end of April 30. That kind of problem does crop up. When you start talking about the month of May, someone who put in time on April 30 might not be covered. I am sure the minister knows what he wants to do and I just ask that the wording of this amendment covers those whom he intends to cover.

Mr. Drury: If you had passed the bill today, we would have no problem.

The Acting Chairman (Mr. Richard): Shall I rise, report progress and request leave to sit again at the next sitting of the House?

Some hon. Members: Agreed.

Progress reported.

Mr. MacEachen: Mr. Speaker, I do not propose to call any other government business between now and the time we will be summoned for royal assent. So if it is agreeable we could suspend the sitting until that time.

Mr. Speaker: The suggestion is that we suspend the sitting until the call of the bell. If there is no objection, I will leave the chair. However, before doing so I would remind hon. members that according to well-established practice and tradition, hon. members are invited to join me in room 16 when we return from the other place.

At 5.30 p.m. the sitting was suspended.

• (5:50 p.m.)

SITTING RESUMED

The House resumed at 5.50 p.m.

THE ROYAL ASSENT

A message was delivered by the Gentleman Usher of the Black Rod, as follows:

Mr. Speaker, the Right Honourable the Deputy Governor General desires the immediate attendance of this honourable House in the chamber of the honourable the Senate.

Accordingly, Mr. Speaker with the House went up to the Senate chamber.

• (6:00 p.m.)

And being returned:

Mr. Speaker informed the House that the Deputy Governor General had been pleased to give, in Her Majesty's name, the royal assent to the following bills:

An act respecting investment companies
An act respecting weights and measures
An act to amend the Pension Act

Royal Assent

An act to amend the War Veterans Allowance Act, 1952
An act to amend the Civilian War Pensions and Allowances Act.

Mr. Speaker: It being after six o'clock this House stands adjourned, subject to the order made earlier today, until two o'clock on Monday, April 19, 1971.

I remind hon. members and their colleagues that they are invited to join me in room 16 in a few moments.

At 6.03 p.m. the House adjourned, without question put, pursuant to Special Order, until Monday, April 19.

HOUSE OF COMMONS

Monday, April 19, 1971

The House met at 2 p.m.

VACANCIES

Mr. Speaker: I have the honour to inform the House that I have received communications notifying me that three vacancies have occurred in the representation, namely:

Bernard Pilon, Esquire, member for the electoral district of Chambly, by decease.

J.-A. Mongrain, Esquire, member for the electoral district of Trois-Rivières, by decease.

James E. Brown, Esquire, member for the electoral district of Brant, by acceptance of an office.

Accordingly I have addressed my warrants to the Chief Electoral Officer for the issue of new writs of election for the said electoral districts.

[*Translation*]

ROUTINE PROCEEDINGS

PENITENTIARIES

KINGSTON—STATEMENT BY SOLICITOR GENERAL ON RIOT

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, on the night of April 14, inmates of Kingston penitentiary seized six prison guards as hostages, smashed windows, furniture, the cell locking devices and occupied the cell blocks and the central control area.

As a precautionary measure the warden of Kingston penitentiary requested assistance from the Canadian Armed Forces and troops were subsequently deployed to guard the perimeter of the penitentiary.

On the morning of April 15, the warden, his deputy and the regional director of the penitentiary service met with a committee of three inmates chosen as spokesmen to present grievances. Inmates requested that representatives of the press, radio and television media be permitted to attend and this was authorized.

The grievances expressed by the inmates dealt in general terms with the whole area of police, judicial and correctional systems. Only in three minor areas were complaints made against the Canadian penitentiary service itself.

The inmates' committee requested that a group of distinguished citizens be asked to hear the views of the inmates. It became clear that the hostages would not be released until the inmates had had an opportunity to meet with such a group.

A committee of five citizens was subsequently formed under the chairmanship of Mr. Arthur Martin, Q.C., consisting of Mr. Ron Haggart, Dr. Desmond Morton, Mr. William Donkin and Mr. Aubrey Golden, Q.C. This committee was given a mandate to hear the views of the inmates and to report to the Solicitor General.

This committee of citizens met with the inmates' committee throughout the night of April 16 and I received a report early on April 17.

Of the number of requests reported to me by the citizens' committee, the most significant was that the hostages would be released if it were guaranteed that no criminal or disciplinary charges were laid as a result of the disturbance and the seizure of the cell blocks. The inmates' committee was informed that the government would be unlikely to discuss any matter as long as hostages were held by the inmates.

During the early afternoon of April 16, one of the hostages was released apparently unharmed and in good health. After a series of discussions between the inmates' committee and the citizens' committee which went on sporadically during the 17th of April, no agreement could be obtained from the total inmate population as to what they wanted to request of the government.

The cell blocks and central control area had been occupied by about 500 of the 641 inmates at Kingston. No disturbances occurred at the psychiatric wing, at the hospital or in the dissociation area which had remained under the warden's control. However, very early in the morning of Sunday April 18, there were outward visible signs that internal control among the 500 inmates was deteriorating rapidly. There was apparently some sporadic fighting among these inmates.

As a result, I decided to go to Kingston penitentiary. After consultation with the penitentiary authorities on the spot, I authorized that a plan be put into effect permitting those inmates in the cell blocks who wished to do so to come out with hostages. Shortly after daylight, some 200 inmates were allowed into the courtyard and at about 7 o'clock movements of inmates to other institutions began. These movements continued throughout the day and the hostages were released gradually.

I know that hon. members and all Canadians were greatly relieved when the last hostage was released apparently unharmed and in good health at about 5.00 p.m. on April 18, 1971.

Unfortunately one inmate was killed and a number of others were injured by other inmates while they were in control of the cell blocks. We have notified their families.

• (2:10 p.m.)

I would like to make it clear that there was no use of force at any time by penitentiary guards or the Canadian Armed Forces.

The whole question of improvement of penitentiary services and methods of rehabilitation presents both

short term and long term problems which involve not only the government, the Penitentiary Service and the inmates, but also the Canadian public. In addition to the on-going programmes of the department which the Committee on Justice and Legal Affairs now has an opportunity to examine, I decided two weeks before the recent events in Kingston to appoint a working group composed of outside and departmental sources to look into the Canadian Penitentiary Service rehabilitation approach for maximum security institutions and to recommend the type of new programmes and facilities that should be developed. These appointments will be announced shortly and I will ask that a report be made to me in six months.

So far as Kingston penitentiary is concerned, a decision had been made many months ago to phase it out by September 1971. This plan was already under way with the transfer from Kingston of a number of inmates to the new institution at Millhaven before the recent disturbance.

Inmates of our correctional institutions remain members of our society though temporarily segregated. Programmes which meet the needs of this group in society must be based on the acceptance of the principle that chances of rehabilitation are enhanced if inmates are given an opportunity to socialize, work and participate in activities under conditions as close as possible to what is found in normal society.

The government intends to pursue an increasingly progressive penitentiary program, but this can only be done in an orderly manner. The speed at which changes can be made depends jointly on the co-operation of inmates with the department and on public understanding and support.

With regard to the events at Kingston penitentiary, I have directed that a board of inquiry be established to review the events, to assess responsibility and to report to me.

On behalf of the government and on my own behalf, I would like to express sincere thanks to Mr. Arthur Martin, Mr. Ron Haggart and to the members of the committee for the very important role they played in helping to bring about a solution at Kingston. I should underline the valued co-operation of the Canadian Armed Forces and the police forces at the municipal, provincial and federal level. In concluding, I should like to express my personal thanks to several hon. members for offering to assist in any way they could.

[*English*]

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I should like to open my remarks by thanking the Solicitor General (Mr. Goyer) for his courtesy in providing me with a copy of his statement. I, like him, also, believe that thanks should be given to the citizens' committee, to the officers and staff of Kingston penitentiary, and to the members of the armed forces for keeping their cool in a somewhat critical situation. I wish I could be as effusive in my thanks to the hon. gentleman regarding other parts of his statement. In particular, I wish I could thank him for advising Your Honour, members of the House and the country why this riot took place at all; in the main, his statement is silent on that point and we are still left with what is a multi-million dollar mystery.

The hon. gentleman does say that there were three minor areas of complaint about the operations of the penitentiary service. We are not told what those three minor areas are; therefore we cannot assess whether, indeed, the adjective "minor" should be used at all.

Most of us have had the advantage of watching Mr. Jack Webster, a very senior Canadian newsman, interview on television last night a person who had been an inmate of that penitentiary. Certain factors were revealed which seemed to shed some light on the events in the penitentiary during the last few days. More specifically, there was the fear or the dread that most of the inmates there had about going to the new maximum security prison at Millhaven. I will return to that point in a few minutes' time or, rather, in a few moments' time; I do not want to wear out Your Honour's patience so quickly after the Easter recess that you lose the benefit thereof.

The point that this inmate made related to electronic snooping on inmates, even when they were engaged in private toilet activities. This was the talk of the inmates at Kingston and might have given rise to what happened. If this was their fear, surely there must have been some means of communication between the inmates and those looking after them so that it could have been dispelled. I suggest that these fears could have been dispelled by taking a few of the inmates to Millhaven and showing them what they would be up against, or films could have been taken and shown to the inmates in order to dispel their fears. Either these fears were justified or there was such an abysmal lack of communication that the whole country now has to suffer a multi-million dollar destruction of one of its institutions. One thanks the citizens' committee for its work, but one would have appreciated learning from the minister what reports, if any, it has so far made to him.

The Ottawa *Citizen* in its Saturday edition, in one of the reports it carried on this continuing story, quoted guards as saying that they were expecting a riot at Kingston. One would like to know what measures were taken to head off that riot. I suggest a similar situation to Kingston prevails at Dorchester, at British Columbia penitentiary and at Prince Albert—in short, at any institution built years and years ago that is being used to try to serve the needs of today. I think the simple answer to the problem is to be found in that fact. As a member of the Justice and Legal Affairs Committee which visited some penitentiaries but not all, I know that the members were impressed by the modern institutions. Hon. members will have noted that these modern penitentiaries have remained free of the disturbances that have racked others such as St. Vincent de Paul which, thankfully, has now been closed.

• (2:20 p.m.)

I suggest to the Solicitor General that the inquiry should deal with the points of criticism in respect of Millhaven. The government is apparently going ahead with its plans for Millhaven come hell or high water or

even more riots, although it has been criticized over and over again and referred to as an "electronic 1984". I suggest that the board of inquiry should deal with the lack of occupational training and with the Parole Act. Both these topics have given rise to complaints by the inmates. The board of inquiry should also suggest steps to avert another riot. Let me return to the point I made a few minutes ago. Surely some permanent method must be devised to provide for discussions between a committee of inmates and a committee of prison guards in order that intolerable situations that exist can be rectified immediately before they reach explosive proportions.

Finally, I think that the committee of inquiry should deal with that small group in penitentiaries which constitutes, even in the eyes of the most hardened criminals, the dregs of society. This little group needs protection from the other inmates of penitentiaries. I refer to sex deviates, Crown witnesses, stool pigeons, informers and the like. During our visits to certain penitentiaries in Canada we noted friction building up whenever that group of people was in close contact with the general prison population. It may surprise hon. members to know that the most hardened wife beater is still entitled to look down his nose at someone. The person he looks down his nose at is the sexual deviate. To this extent the element of segregation is involved in penitentiaries. I gather this was a factor in the Kingston riot although the Solicitor General has not dealt with it. That factor must be considered by the board of inquiry.

The members of the Justice and Legal Affairs Committee had an opportunity to visit some of the penitentiaries and to observe some of these problems. We will be very anxious and eager to learn the results of this inquiry and what steps the minister will take to head off future incidents of this type.

Mr. Frank Howard (Skeena): Mr. Speaker, I am sure we owe a debt of gratitude to the members of the citizens' committee who spent many hours during the daytime and at night in an attempt to resolve the problem at Kingston penitentiary. It may well be that we will have similar committees in the future. Periodically over the years we have experienced riots at different prisons throughout our penitentiary system. Some of these riots have been worse than others. The riot some years ago at Kingston during which there was a fire and a great deal of burning occurred, as at St. Vincent de Paul, involved a great deal more damage in one sense than the riot which concluded over the past weekend.

We all regret very much the death of one of the inmates. Presumably an attempt will be made to discover how it occurred and criminal charges will be laid if the person who caused this death can be identified.

I am wondering about the government's attitude on the matter of destruction of public property. I understand the damage has been estimated at $1 million, but who knows what it is in terms of dollar value. We should realize, however, that under the Criminal Code there is provision for a maximum penalty of 14 years' imprisonment for destruction of government property. As a result of riots in the past certain individuals have been charged in the criminal courts and, following conviction, have had the maximum sentence of 14 years meted out for participating in a revolt against the system. I suggest very sincerely that the minister and the government should look very warily at the approach that has been adopted in the past, that of laying criminal charges in an attempt to counterbalance the situation for the future, because it probably will not work.

The government response to such situations in the past has been to punish the individuals involved either within the system or by laying charges in court. It has been one of punishment of the whole inmate population by in effect putting the lid on the joint, by removing all privileges, recreational facilities and the like for long periods of time, by segregating individuals and keeping them locked up in cells for 23½ hours out of 24 hours every day and permitting them only half an hour for exercise. I believe that the government's response in the past through this type of retaliatory oppression, removal of privileges and punishment for all regardless of their participation or non-participation in such things really will not serve us very well in the future if that is to be the sole action taken as a result of the riot at Kingston.

A number of questions have not been answered and I think two are of extreme importance. It would have behooved the minister well to indicate from his point of view what he knows concerning the answers to these two questions or what he may have surmised as to the situation. One question is, what are the recommendations, if any, that have come from the citizens' committee which spent hours in that institution talking to the inmates' committee. The members of the citizens' committee were liaising back and forth and undoubtedly have a far greater insight into the feelings which led up to this revolt than could possibly be derived through any board of inquiry or working group such as the minister seeks to establish. I believe it would serve the public interest well to know what the recommendations of that citizen's committee were or whether there will be any forthcoming in the future.

I also think it would have been well for the minister to give some assessment of his views concerning the real reasons behind the riot. I am sure it was not just a riot by people who objected to the prospect of being transferred to another institution, Millhaven, on the basis of rumours concerning what existed there and what sort of oppressive and electronic devices might be there to invade their privacy. I believe it goes much deeper than just being another riot in a penitentiary. I believe it represents partly a revolt against the judicial system and concern that we give lip service to the idea of rehabilitation in the penitentiary system but do not in fact do anything about it. It is a revolt against the fact of life that some penitentiaries are there just as places for people to be locked up in.

Any attempt at effective rehabilitation work within the prison system as we know it today will run counter to the idea and concept of security and custody and the obligation on the part of the penitentiary service to carry out the instructions of the courts, namely, to keep a person in jail for a stated period of time. We can talk

about rehabilitation programs within our penitentiary system but by and large that is not the place in which they will work. Generally speaking, inmates participate in chaplain's groups, therapy groups or rehabilitation groups and talk with their counsellors in great detail, but their prime objective is to get out of jail and therefore they will use those mechanisms, those systems and those structures that are set up supposedly for rehabilitation for the prime purpose of getting out on the street.

• (2:30 p.m.)

Rehabilitation means parole and the proper and full use of the parole and probation systems. We could probably release tomorrow on parole one-third to half the inmate population of our federal penitentiaries and not a single additional criminal offence would take place while those inmates were on parole. It would be in that period of time while they are on parole that rehabilitation would work to the full. In 1956 we had eight federal penitentiaries; today we have approximately 35 to 40. I do not know the exact number. If we had spent even half of the millions and millions of dollars on parole and probation that we have poured into building bigger and more glamorous institutions, surely we would have done something more worth while and realized more of the benefits of rehabilitation than we have until now. We have to try to establish a relationship with outside voluntary private groups such as the St. Leonard Society, the X-Kalay Foundation in Vancouver and others of a similar nature which have worked wonders in the rehabilitative field in helping to get people back on the straight and narrow and off that merry-go-round which repeatedly puts them back into the penitentiary system.

I noted that a couple of weeks ago the minister appointed a working group. I gather that he has not yet named the personnel of that group. I wonder whether it will really be a worth-while functioning group because many studies and examinations have been made in the past of rehabilitation both in maximum security institutions and in other parts of the system. However, if the minister is going to proceed and really thinks it will be a worth-while working group that will come up with something valuable, I suggest he should appoint to that group some ex-convicts, people who have gone through the mill, who know what rehabilitation is all about and who have worked at it, people who, for instance, participate in organizations, such as the St. Leonard's Society and the X-Kalay Foundation, people such as Mr. Earl Allard who is associated with the X-Kalay Foundation and who could tell the minister and the government more about rehabilitation and the necessity for it than all the professional working groups one could find both in the Public Service and outside it.

We need to be concerned about the damage that was done, the loss of life and the injuries to individuals, all of which are important, but above all we need to take instances of this nature and look upon them as revolts against the judicial and penological systems and structures and learn by them to develop something beneficial and helpful in the future for the individual. Our concern must be with the salvation and rehabilitation of the individual, and that will not be achieved by constructing bigger, more elaborate and more modern buildings and the like. We have had riots in the past and undoubtedly we will have them again, but I think our best guarantee of keeping riots to a minimum is to treat inmates as human beings and to work for their salvation and not for the continuance of an antiquated penological system which brings about frustration and riots.

[Mr. Howard (Skeena).]

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we wish first to thank the officials of the Kingston penitentiary and each member of the citizens committee for their efficiency in seeking an immediate solution to last week's disorders and for remaining calm despite the seriousness of the situation.

Mr. Speaker, this was certainly not an easy situation and the deeper causes of the problem which created this unrest in the Kingston penitentiary baffle us, at least from the minister's statement. Be it as it may, the government certainly acted in good faith and we are willing to commend it.

But there is one point that I should like to raise immediately, namely the fact that one inmate was killed and several others injured, and that hostages were held by inmates, the Canadian Armed Forces were called in and damages amounting to thousands of dollars were caused to the premises.

Mr. Speaker, this is violence and as far as we are concerned, violence cannot be accepted under any circumstances. It is hard to justify an act of violence so long as there is a chance of a dialogue between the differing parties. I wonder whether the federal authorities responsible for penitentiaries across Canada could have avoided this riot through frequent and regular contact with penitentiary officials, and representatives from the inmates and the general public.

In his statement the minister repeatedly said that the government intends to undertake a thorough reform in this field provided that they can get the co-operation of the public, of the inmates and of the authorities concerned.

Mr. Speaker, no doubt the government can depend on the support and co-operation of the people, of all those concerned or skilled in this field. There is no doubt, the most interested of all, the inmates, those who can be recuperated or rehabilitated, are ready to co-operate in order to improve the situation.

Mr. Speaker, I am wondering if the government has made all the necessary efforts to promote continuous consideration—not only at a critical time,—of problems that could be foreseen. Violence should never be allowed, and the troubles that occurred in Kingston are most regrettable and sadden all Canadians, particularly in the case of the dead and injured inmates and in respect of the damages that have thus been done.

Mr. Speaker, if on one hand, violence cannot be approved, on the other, we can ask ourselves to what extent the methods put forward by the government will be effective, especially the establishment of a work group

which will file a report and a board of inquiry on the troubles which we have just known. We ask ourselves if those studies coming after hundreds of others on the Canadian penal system will really be effective.

There has been violence in Kingston and there has also been violence elsewhere in Canada. Quebec experienced a crisis which was no laughing matter, and in any event we must ask ourselves a basic question.

• (2:40 p.m.)

The disorders at Kingston penitentiary are putting hon. members and the Canadian people right at the heart of the problem, namely what are our objectives.

Our first goal is to reduce crime in Canada. Year after year the crime rate is on the increase. The government has abolished capital punishment on the ground that it would reduce crime. In my opinion, the initiative has been a total failure, and I wonder whether the disorders at Kingston penitentiary do not once again revive the advisability of re-establishing capital punishment, not for the inmates who organized the riot, as we should thank them rather for having provided the opportunity to discuss again the advisability of restoring capital punishment.

Mr. Speaker, in a country we can succeed in bringing about respect for authority only if we deserve it. In creating an economic, political and social climate where each individual can achieve fulfilment in freedom and security, crime can be reduced. If an effort is made to bring back the prisoners to a normal life through an efficient rehabilitation system adapted to each individual, we can hope to insure order.

Under our present penitentiary system, dangerous criminals and milder types, are thrown together, which does not improve the situation of either one.

Mr. Speaker, the government is indefinitely postponing a complete overhaul of the Canadian penitentiary system, alleging lack of funds. There as elsewhere, the reason for our failure to take action, for our apathy, is again, it must be recognized, lack of funds. When—and it is with that question that I want to close my remarks—when will we finally make up our minds to finance not only peace, but also respect for the individual, in order that each Canadian citizen may be given every opportunity for fulfilment in freedom and security. Every individual, whether free or incarcerated, is a human being, and nothing should be left undone for his welfare. To this end, we must resort to financial means other than those the government now uses since no price is too high for healthy and normal fulfilment of human beings.

Mr. Speaker, that is why, in spite of the minister's promises, which only appease us for the time being, we hope that from now on he will agree to carry out a thorough overhaul of our penitentiary system and will not hesitate to make money available for human beings and to finance their security and freedom, giving each one an opportunity to return to normal life or, if has so deserved, to be punished accordingly.

[*English*]

REVISED STATUTES OF CANADA

TABLING OF 1970 REVISION—STATEMENT BY MINISTER

Hon. John N. Turner (Minister of Justice): Mr. Speaker, it is with much pleasure, and a sense of achievement on the part of the department and of the commissioners, that I am able to announce that the Statute Roll for the Revised Statutes of Canada, 1970, has been deposited with the Clerk of the Parliaments.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): This revision will be the fifth revision of the federal public general statutes, and the fourth in this century. Earlier revisions were those of 1886 begun in Sir John A. Macdonald's administration, 1906, 1927 and 1952.

With the consent of the House I wish to table the seven volumes of the 1970 revision and the first supplementary volume that contain a consolidation of current federal statutes that were passed by Parliament prior to October 7, 1970. A second supplementary volume is in the course of preparation and will contain the amendments made in the present session to the statutes in the revision. An appendix volume containing constitutional legislation and documents will complete the ten volume set.

I might say that when the Revised Statutes of Canada, 1970, are proclaimed in force the proclamation will have the effect of repealing those public general statutes on the statute books that are included in the revision and replacing them by the statutes in the revision. The Revised Statutes do not operate as new laws but are to be construed and have effect as a consolidation and as declaratory of the law as contained in the statutes and parts so repealed for which the Revised Statutes are substituted.

There is, however, a technical repeal and replacement brought about by the revision, and this aspect of the revision caused the Revision Commission to omit that part of Chapter 44 of the Statutes of Canada that is entitled the Canadian Bill of Rights from the revision, and to include it in the appendix volume where constitutional acts and documents are contained. The result is that the Canadian Bill of Rights may be cited still as the Statutes of Canada, 1960, Chapter 44, as it is not repealed and replaced by inclusion in the revision. Because of the nature of the Canadian Bill of Rights and the wide circulation it has received, it seemed desirable that it should retain its original form and chapter designation.

In addition to the bound volumes I also wish to table, with the consent of the House, and for the first time in the history of the Canadian Parliament, the revision in the form of magnetic tape containing the machine-readable database used in the production of the revision.

[*Translation*]

An initial decision by the Commission was to prepare the revision by utilizing data processing and photocomposition techniques rather conventional printing meth-

ods. This decision required the development of a software system that would support an automated, bilingual page format. The Revised Statutes, 1970 as tabled, represent a "first" for Canada. To the best of our knowledge, no other country has produced statutory material in this manner in a two-language page format, lining up marginal notes and columns of type automatically. Because of the uniqueness of the revision in this respect, Canada has been asked to provide magnetic tape of its Criminal Code for a demonstration of legal information retrieval at the next combined World Peace Through Law Conference and World Assembly of Judges to be held later this year in Belgrade, Yugoslavia.

[*English*]

The decision to use computers has resulted in the production of a machine-readable database of about 40 million characters containing the current public general statutes of Canada. This database will support information retrieval programs and will be the base for the development, now under way, of computer assisted drafting, editing and publication of laws system, the acronym for which is CADEPOL. The machine-readable magnetic tape provides a flexible storage medium from which it will be possible to update and reproduce statutory text. Thus, subsequent revisions of the Canadian statutes can be prepared more rapidly in the future.

Heretofore, the only way to store statutory text in a flexible form was by the costly and cumbersome method of holding vast quantities of lead type, which was rarely undertaken by any jurisdiction. The long delays involved in typesetting in the conventional manner can now be avoided in the case of future consolidations of the federal statutes.

I should add that the Revised Statutes of Canada, 1970, represent the culmination of a challenging and imaginative program undertaken by the Statute Revision Commission, and I draw the attention of hon. members of the presence in the Speaker's gallery of the members of that commission, and to the presence in the ladies gallery of a few of the great number of people whose combined efforts, co-operation and dedication have made the Revised Statutes of Canada, 1970, the achievement that it is.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): The commissioners and staff of the Statute Revision Commission have received the full co-operation of the Canadian Government Printing Bureau. Many of the innovative techniques used in the production of the revision were developed by the printing bureau, and on behalf of the commission I extend sincere thanks for a job well done.

The Revised Statutes tabled today will not have the force of law until proclamation by Order in Council at a later date. Distribution of this revision will begin almost immediately, and members of the public will have an opportunity to inspect the revision before it comes into force.

[Mr. Turner (Ottawa-Carleton).]

Finally, I wish to table a short history of the Statute Revision Commission which outlines in brief the work of the commission from its appointment in 1965, as well as a copy of the report of the commission to His Excellency, the Governor General of Canada.

Mr. Speaker: Order, please. Before the Chair recognizes the hon. member for Peace River I should indicate to the minister and to the House that I have serious reservations as to the authority which the minister has to table—as he says in his own words—"for the first time in the history of the Canadian parliament" a magnetic tape of deliberations. My recollection is that some years ago when a motion for the production of such documents was made by the then hon. member for Pontiac a ruling was sought from the Chair, and the ruling was that under our existing Standing Orders there is no authority for seeking from the government the tabling and the submission of such documents.

I again say that in this case this tape should be accepted only with reservations, and if it is done now hon. members on the treasury benches should not complain in future if a motion is made by other hon. members seeking permission or seeking authority for an order of the House for the tabling of documents other than what have been interpreted in the past as being documents that can be tabled under the terms of Standing Order 41(1).

All this having been said, it is obvious that the House is master of its own rules and can accept the tabling of any document, whether it is a magnetic tape or any other kind of tape. Subject to those reservations I would seek the authority of the House to accept for tabling the documents to which the minister has alluded, including the magnetic tape. Is this agreed?

Mr. Turner (Ottawa-Carleton): On the point of order, Mr. Speaker, after visibly having produced the tape—

Mr. Diefenbaker: Has it a cable licence?

Mr. Turner (Ottawa-Carleton): It is for public use only—I shall accept the reservations put to me by the Chair. We will keep the tape of the consolidation in the government printing bureau, but I hope the House will accept the tabling of the statutes.

Mr. Speaker: Is it so agreed?

Some hon. Members: Agreed.

• (2:50 p.m.)

Mr. G. W. Baldwin (Peace River): Mr. Speaker, we would have been quite prepared to accept the tape as an exhibit, without prejudice. However, the minister has probably handled the matter in the best way. We are going to review the rules in any event, and who knows what we may do with them or what the minister may be able to do later.

I join with the minister in welcoming the completion of this massive task. I also join with him in congratulating

all those who were in any way involved in the task. Speaking as one who has had something to do with statutes, I think it is excellent that we are finally getting these consolidated statutes. The task has taken some time. I am not blaming anybody for that, but in these times when the government is intervening more and more in the rights of individuals it has become essential for those in this House, members of the bar, judges and others to find out exactly what a statute does without having to search painstakingly through many statute books. I hope we can look forward to the next revision being completed in a shorter period of time, especially since contemporaneously we have a government that legislates by moving radically in all directions at the same time in trying to enact new statutes.

In addition to congratulating the minister and those who were involved in the task, may I say that this is one of the times when we should pay more attention to the message than to the medium. In other words, I think that the government and members of the House ought to be more concerned about what goes into statutes rather than with the way they are issued. I say that more in sorrow than in anger because these statutes probably contain the chronicle of the fall and decline of what was to be the just society, and I would hope that the government in the short period which lies ahead will do something to repair this omission.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, mankind has come a long way in the matter of law. Once upon a time a great man came down from the mountain with ten commandments. Today the Minister of Justice came down with 40 million characters.

An hon. Member: The hon. member is one of them.

Mr. Baldwin: There are 40 million characters in the cabinet.

Mr. Knowles (Winnipeg North Centre): We welcome the completion of this important and monumental job. Your Honour found today to be unusual in that the Minister of Justice was seeking to table a magnetic tape. We have learned to deal with red tape around here; this is the first time that magnetic tape has been presented to us.

I should like to point out something else which is significant about today. The last time I asked the Minister of Justice about the Revised Statutes of 1970, I put the question in these terms: could the minister undertake that the Revised Statutes of 1970 would be tabled before the end of 1971. He said yes. This is a red-letter day. The government has kept its commitment.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): As the hon. member for Peace River pointed out, it is extremely important to have our federal legislation in this consolidated form so that we can find it, appreciate it, understand it and also amend it in its many weak spots. We welcome the completion of this job. We join with the Minister of Justice in paying tribute to the members of the Statute Revision Commission and to the others who have taken part in this piece of work.

As an old-time printer, I should like to underline the tribute that the Minister of Justice paid to another group of people. I noted his reference to the ancient ways of printing that involved much time spent in the setting of type or in setting it over again. I am glad to note that he paid tribute to the printing industry and to the Canadian Government Printing Bureau in particular for developing many of the innovative techniques which will help to make it possible for our laws to be dealt with in this way.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we would like to thank the Minister of Justice (Mr. Turner) for having tabled today, as he had promised, a copy of the Revised Statutes of Canada, 1970.

Mr. Speaker, federal acts have thus been codified, which will make them more readily understood.

The point that I should like to raise does not occupy much place in the hon. minister's statement, but that revision has certainly required considerable work from the members of the Commission, since it has been published in both official languages, something we rejoice about. We wish to thank the hon. minister for this initiative, which is an extremely important point.

Mr. Speaker, we seize this opportunity to congratulate the members of the Commission who worked more or less actively at this enormous task and we wish to tell the minister that we hope to see the greatest possible distribution of the statutes to the people interested, at a reasonable price. For instance, I have in mind university students who cannot afford to buy the statutes. It would be a very good idea if the government agreed to a compensated discount policy on the revised statutes, in order to allow each law student to have them.

* * *

[*English*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. David MacDonald (Egmont): Mr. Speaker, I seek the unanimous consent of the House under Standing Order 43 to move a motion. As students are now becoming available for employment and very few applicants for the Opportunities for Youth program have received any notification from the department concerned, or have even received notification of the receipt of the applications, as a number of municipalities have been fenced out of this program, as there has seemingly been no consultation with the post-secondary community across Canada in the preparation of criteria and objectives, as there is no indication that the program will be directed toward those married or underprivileged students who would most need the income in order to be able to return to school, as there have been numerous reports of absolute chaos and complete lack of organization in the secretariat proc-

essing the applications, and as it is necessary to have full disclosure—

Mr. Speaker: Order, please. I must interrupt the hon. member. The hon. member knows what the rule is. It has often been stated from the Chair. Hon. members cannot argue a case in substance. They can only indicate to the House, for the guidance of hon. members, the urgency of the matter which they wish to bring to the attention of the House.

I have indicated on a number of occasions that I think it is not quite in keeping with the spirit of this rule and the spirit of debate in the House of Commons for hon. members to take advantage of the Standing Order to submit an argument to which no response can be made by virtue of the wording of the Standing Order itself. I think hon. members should keep in mind, when attempting to bring forward motions under Standing Order 43, that they should limit themselves precisely and essentially to allusion to the urgency of the matter which is proposed for discussion under the Standing Order.

Mr. MacDonald (Egmont): Mr. Speaker, I was just coming to that. I wanted to say a word or two prior to coming to the urgency as to the reasons why this matter must be considered by a committee of this House, because it is necessary to have full disclosure of the pertinent problems and difficulties of the program before it becomes fully implemented and thousands of young people are disappointed. Since we have not had information in the House to date, I wish to move, seconded by the hon. member for Humber-St. George's-St. Barbe (Mr. Marshall):

That the House refer the entire matter of the operation and criteria for the Opportunities for Youth program to the Standing Committee on Manpower and Immigration for immediate public examination in order that the Secretary of State and his officials can clarify and resolve these problems enabling the program to achieve optimum effectiveness.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Egmont. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not consent so the motion cannot be put.

* * *

INCOME TAX ACT

CONSOLIDATION IN PRINTED ROLL OF REVISED STATUTES OF CANADA, 1970

Hon. John N. Turner (for the Minister of National Revenue) moved the first reading of Bill S-15 (from the Senate), respecting the consolidation of the Income Tax Act in the printed Roll of the Revised Statutes of Canada, 1970.

Motion agreed to and bill read the first time.

[Mr. MacDonald (Egmont).]

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

MIGRATION OF PROFESSIONAL PEOPLE TO THE UNITED STATES, 1950 TO 1970

Question No. 386—**Mr. Robinson:**

How many (a) doctors (b) dentists (c) accountants (d) chemists (e) engineers (f) architects (g) university professors and/or lecturers (h) other professionals migrated to the United States in each year 1950 to 1970 inclusive?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): In so far as the Dominion Bureau of Statistics is concerned: statistics are not collected on people migrating to the United States.

AIR POLLUTION AND EXHAUST EMISSION CRITERIA

Question No. 482—**Mr. Anderson:**

1. What air pollution and exhaust emission criteria does the Department of Supply and Services apply when evaluating motor vehicles for possible purchase by the government?

2. What is the maximum sulphur content acceptable to the Department of Supply and Services in its purchase of fuel and heating oil for government use?

Hon. James Richardson (Minister of Supply and Services): 1. The department applies the objective performance standards on the levels of emission from motor vehicles in accordance with the Regulations Respecting Safety for Motor Vehicles and Motor Vehicle Components issued by the Department of Transport and printed in Canada *Gazette*, Part II, No. 22 dated November 25, 1970.

2. The maximum sulphur content acceptable in fuel and heating oil purchased by the Department of Supply and Services is governed at the present time by the plant design, by local conditions and by ordinances that apply in the localities where the individual heating plants are located. It is anticipated, however, that the co-ordination of the Government's interest in environmental control under the proposed Department of the Environment will result in new standards which will be put into effect in Government procurement of fuel.

EMPLOYMENT OF PUBLIC SERVANTS DURING 1969-70

Question No. 696—**Mr. Mazankowski:**

How many public servants were employed by the government during the fiscal year 1969-70 and (a) what was the total cost of the payroll (b) what was the average salary (c) what was the percentage of increase over the previous year?

Hon. C. M. Drury (President of the Treasury Board):

	1969-70
Number of continuing employees on strength as at September 30	197,684
(a) Total salaries of continuing employees (in thousands of dollars in effect on September 30)	$1,332,450

(b) Average Salary ((a) divided by number of employees)	$6,740
(c) Percentage negotiated increase over 1968-69 salaries, including any retroactive effects of agreements negotiated up to March, 1971	5.8

Source: Central Personnel Records System, Department of Supply and Services. September, 1969.

Notes: 1. The data provided in October in answer to a similar question was based on the Federal Government Statistics published by the Dominion Bureau of Statistics. As the Dominion Bureau of Statistics is not publishing the data for 1969 we are unable to provide comparable data. 2. The data in (a) and (b) contain only the information reported by the Central Personnel Records System as at September 1969. The rate of increase, however, contains the negotiated increases granted up to March 1971, but applicable retroactively to the 1969-70 period.

AVERAGE PERCENTAGE INCREASE SINCE 1961 FOR PUBLIC SERVANTS AND ARMED FORCES

Question No. 781—**Mr. McCleave:**

1. By year since 1961, what has been the average percentage increase in the pay of (a) federal public servants (b) members of the armed forces?

2. What are the total respective increases for each category over those years?

Hon. C. M. Drury (President of the Treasury Board): The average percentage increases since 1961 in the pay of (a) federal public servants and (b) members of the armed forces are as follows:

	Federal Public Servants	Armed Forces
1961	—	—
1962	2.9	2.7
1963	1.8	—
1964	3.0	9.0
1965	7.7	—
1966	7.8	9.8
1967	8.9	4.0
1968	6.8	6.5
1969	5.8	6.5
1970	(not available)	6.1

The total percentage increase (a) for federal public servants for the period 1961 to 1969 was 54.0 and (b) for the armed forces for the period 1961 to 1969 was 44.6. 1970 figures for federal public servants are not available since many collective agreements have not been signed for that year. The total percentage increase for the armed forces from 1961 to 1970 was 53.7.

USE OF COST OF LIVING INDEX AS BAROMETER FOR DETERMINING INCREASED COST ALLOWANCES

Question No. 858—**Mr. Robinson:**

Is the cost of living index a valid barometer for determining increased cost allowances to (a) rural areas (b) urban areas (c) the Maritimes (d) senior citizens (e) welfare recipients (f) pensioners?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The Consumer Price Index for Canada relates to middle income families of two to six persons living in urban centres. For that group, it is considered a valid indicator of the impact on living costs of changes in prices. The extent to which the index is applicable to other population groups has not been determined. However, the families to which the Canada index relates would include senior citizens, pensioners and Maritime families living in urban centres, in so far as they meet the income and family size criteria of the Canada index.

ISSUANCE OF COMMERCIAL FISHING LICENCES TO INDIANS IN BRITISH COLUMBIA

Question No. 878—**Mr. Barnett:**

How many commercial fishing licences were issued to Indians in British Columbia in each of the past five years and how many boats (a) owned by Indians (b) operated by Indians, were engaged in the commercial salmon fishery for each of these years?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): Information on the number of commercial fishing licences issued to fishermen of Indian origin is not available as no record is kept of the ethnic origin of the recipient. Complete information requested in parts (a) and (b) also is not available, but as a result of special studies carried out for the Department of Indian Affairs and Northern Development the following can be provided:

	1968	1969	1970
(a)	624		573
(b)		416	361

CANADIAN CONTRIBUTION TO SUPPORT OF THE WORLD COURT AT THE HAGUE

Question No. 891—**Mr. Robinson:**

How much per year has Canada contributed to the support of the World Court at The Hague since it was established?

Hon. Mitchell Sharp (Secretary of State of External Affairs): Canada does not contribute directly to the International Court of Justice in The Hague. The Court is financed from the Regular Budget of the United Nations which is approved annually by the United Nations General Assembly. The Canadian contribution to the Court may be considered the product of the Court's actual expenses and the Canadian percentage assessment to the United Nations Regular Budget as approved by the General Assembly. Because of certain factors such as contributions to the United Nations Regular

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Budget by non-member states, some of which are members of the Court, this calculation results in an estimate. The following table shows the estimated Canadian contribution to support the Court.

Canadian Contribution to Actual Expenses* of the International Court of Justice
(In U.S. Dollars)

1946**	$28,200
1947	16,800
1948	19,100
1949	18,800
1950	18,900
1951	19,700
1952	21,000
1953	19,300
1954	18,400
1955	19,600
1956	21,100
1957	23,300
1958	21,300
1959	22,600
1960	22,800
1961	23,700
1962	29,300
1963	27,800
1964	31,800
1965	35,200
1966	35,000
1967	35,700
1968	42,000
1969	46,300
1970 (appropriations)	43,400
1971 (estimate)	44,800

* The Canadian Contribution has been estimated from the percentage Canadian assessment to the United Nations Regular Budget and the actual expenses of the International Court of Justice. Appropriations were used for 1970 and expenditure estimates for 1971. Source: Annual UN Budget Estimates.

** The 1946 expenses covered part of that year only.

DEPARTMENT OF SUPPLY AND SERVICES—DESIGNATION OF SUPPLEMENTARY ESTIMATES

Question No. 917—**Mr. Robinson:**

What percentage of the supplementary estimates of the Department of Supply and Services and Receiver General of Canada is designated for (a) winter works (b) to reduce unemployment (c) underestimating expenditures (d) combatting inflationary costs (e) new programs (f) hiring of additional employees?

Hon. James Richardson (Minister of Supply and Services): (a) Nil; (b) 44 per cent; (c) to (f) nil.

Note: As a result of the recommendations of the Royal Commission on Government Organization (Glassco Commission) the Computer Services Bureau was formed and commenced operations in 1965-66 to provide data processing services to government departments. The Bureau acquired a large computer in 1966; financing its operations from a revolving fund. In order to recover start-up costs for the computer, the item of $1,242,551 for the Computer Services Revolving Fund was submitted in Vote 10a of Supplementary Estimates "A". This amount comprises 56 per cent of the total amount voted by Parliament.

CANADA'S GROSS NATIONAL PRODUCT—PERCENTAGE DERIVED FROM FISHING INDUSTRY

Question No. 962—**Mr. Sulatycky:**

What percentage of Canada's Gross National Product is derived from the fishing industry?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): The contribution of various industries to the economy is measured from the Gross Domestic Product at factor cost rather than from the Gross National Product at market prices. In the National Account Statistics, trapping is included with fishing and fish processing with manufacturing. It is not possible, therefore, to arrive at precise data on the contribution of the fishing industry, i.e. the primary and secondary sectors, to the Gross Domestic Product. A rough estimate can be obtained, however, with the use of the weighting system of the Index of Industrial Production. On this basis, the combined contribution of fishing and fish processing to the Gross Domestic Product was 0.3 per cent in 1969.

WASTE PAPER DISPOSAL BY FEDERAL GOVERNMENT

Question No. 976—**Mr. Sulatycky:**

1. How is paper waste disposed of by government departments in Ottawa?

2. Is any paper waste of the federal government recycled?

Hon. James Richardson (Minister of Supply and Services): In so far as Crown Assets Disposal Corporation is concerned: 1. Waste paper from government departments is disposed of by award of contract after public tender through Crown Assets Disposal Corporation.

2. No.

INFORMATION ON DISPOSITION OF DUES PAID BY CANADIANS TO INTERNATIONAL UNIONS

Question No. 1,065—**Mr. Deakon:**

Does the government receive or collect information regarding the disposition of dues paid by Canadians to international unions and, if so (a) what amount of dues were paid by labour union members to Canadian unions having head offices in the United States (b) what percentage of these dues were forwarded to the parent office in the United States (c) what percentage of these dues were invested in Canada?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: The Dominion Bureau of Statistics, under the provisions of the Corporations and Labour Unions Returns Act, collects and compiles certain information relating to dues paid by Canadians to international unions. This information is published annually in the Annual Report of the Minister of Industry, Trade and Commerce under

the Corporations and Labour Unions Returns Act (Part II, Labour Unions). However, the data collected under the Act do not provide the information needed to answer specifically parts (a), (b) and (c) of this question.

FEDERAL CONTRIBUTIONS TO ANTI-ALCOHOLISM OR TEMPERANCE, 1970

Question No. 1,068—**Mr. Mather:**

What, in dollars, was the amount of federal contributions to anti-alcoholism or temperance in 1970?

Hon. John C. Munro (Minister of National Health and Welfare): Under the Public Health Research Grant an amount of $37,306 has been approved for the fiscal year 1970-71, to assist the provinces in carrying out research activities in the field of alcoholism. In addition, a sustaining grant of $15,000 was provided directly to the Canadian Foundation on Alcoholism.

Furthermore, during 1969-70, the following Welfare Grants were made for Alcohol Education: Yukon Territory, $6,656; North West Territories, $56,616.

A number of welfare institutions and welfare agencies supported under the Canada Assistance Plan are also involved in programs which treat alcoholism. However, expenditure for this particular purpose cannot be segregated or identified.

INFORMATION SUPPLIED BY CANADIAN MEMBER OF ICC TO CIA AID TO SOUTH VIETNAM

Question No. 1,123—**Mrs. MacInnis:**

1. Did the government investigate a claim in 1969 that a Canadian member of ICC had handed information to CIA?

2. Was an investigation instituted and, if so, with what results?

3. Does the government intend to further investigate the matter?

4. Since August 15, 1968, has the federal government contributed aid, in any form, to the government of South Vietnam, and, if so, what was the total amount of such aid?

5. Are there Canadian-funded hospitals in Quang Ngai and Qui Nhon serving the Vietnamese civilian community and, if so, to what extent?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): 1. No.

2. and 3. Not applicable. 4. Normal accounting procedures are to calculate expenditures on a calendar-month basis. Using those figures, Canadian aid to South Vietnam from 1st August 1968 to the present, totals some $5,700,000.

5. There are two clinics in Vietnam which are meeting the needs of the civilian population. At Quang Ngai, there is a two-storey T.B. Clinic which was built and equipped by Canada. The construction was completed in December 1967. The Clinic functions primarily as an out-patient, ambulatory service of the province public health program for the detection, control and prevention of tuberculosis. A five-year plan calls for the gradual phasing out of Canadian support for the project. A Rehabilitation Centre at Qui Nhon, which was built and equipped by Canada, has been open since mid-1969. As at Quang Ngai, emphasis is on out-patient treatment. Under the terms of a five-year plan, there are up to eleven Canadian advisers to the Vietnamese staff with a gradual phasing out of Canadian participation.

CMHC PERSONNEL

Question No. 1,161—**Mr. Coates:**

1. How many individuals have been employed by CMHC in the past two years at a salary of $15,000 a year or more and, what are (a) their names (b) their responsibilities (c) their present salaries?

2. How many of the individuals in Part 1 are members of the staff of the Minister without Portfolio responsible for Housing and, in each instance (a) what are their specific responsibilities (b) what are their qualifications?

3. Is Douglas Bailey an employee of CMHC or the Minister's staff and, if so, what is (a) his position (b) his salary (c) his qualifications?

Hon. Robert K. Andras (Minister without Portfolio): 1. Central Mortgage and Housing Corporation has taken on strength 22 employees during the past two years at a salary of $15,000 a year or more. (a) (b) (c) The names, salaries and duties of employees of CMHC are internal administrative matters. It has not been the practice, nor is it considered appropriate, to answer questions relating to the internal administration of the Corporation.

2. None of the 22 individuals in Part 1 are members of the staff of the Minister without Portfolio responsible for Housing. (a) (b) (c) Not applicable.

3. Douglas Bailey is not an employee of Central Mortgage and Housing Corporation or the Minister's staff. (a) (b) (c) Not applicable.

CONSUMPTION OF EGGS IN CANADA, 1968-70

Question No. 1,183—**Mr. Lambert (Bellechasse):**

1. What was the consumption of eggs in Canada during the years 1968, 1969 and 1970?

2. What was the consumption, by province, during the same years?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1. Domestic disappearance (consumption, spoilage, etc.) of eggs for the years 1968, 1969 and 1970 was as follows:

Year	Domestic Disappearance of Eggs* '000 doz.	
1968	442,734	(excludes Newfoundland)
1969	456,964	
1970	464,925	

*Excludes eggs for hatching.

2. The data are not available to answer this question mainly because figures on interprovincial movements are not complete.

Questions

[*English*]

PRODUCTION OF EGGS IN CANADA, 1968-70

Question No. 1,186—**Mr. Lambert (Bellechasse):**

1. What was the total production of eggs in Canada during the years 1968, 1969 and 1970?

2. What was the production, by province, during the same years?

[*Translation*]

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1. The total production of eggs in Canada for the following years was:

Year	Production ('000 doz.)
1968	452,985*
1969	471,231
1970	495,650

*Excludes Newfoundland.

2. The production, by province, during the same years was:

Province	1968	1969	1970
		—'000 doz.—	
Newfoundland	not available	8,088	9,147
Prince Edward Island	3,027	2,956	3,102
Nova Scotia	20,340	20,968	20,095
New Brunswick	9,073	8,999	8,459
Quebec	78,249	77,445	78,885
Ontario	176,331	179,800	187,659
Manitoba	50,967	53,577	60,534
Saskatchewan	19,759	20,756	25,329
Alberta	39,189	40,620	43,879
British Columbia	56,050	58,022	58,561
Total	452,985	471,231	495,650

[*English*]

DEPARTMENT OF LABOUR—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,190—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Labour (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. Bryce Mackasey (Minister of Labour): (a) $1,399 for keypunching services to Solicitor General and Penitentiary Services. (b) Nil; (c) nil; (d) nil.

RESEARCH INTO MATTERS RELATED TO BACTERIAL WARFARE

Question No. 1,200—**Mr. MacDonald (Egmont):**

Is the government presently engaged in research into matters related to bacterial warfare and, if so (a) what is the nature of this research (b) what is the annual cost (c) how many departments participate and which ones (d) what other countries are participating with the government in these studies?

Hon. Donald S. Macdonald (Minister of National Defence): Yes. The work is carried out by the Defence Research Board of the Department of National Defence; (a) to develop protection for Canadians against biological attack; (b) $400,000; (c) the Department of National Health and Welfare and the Department of Agriculture are represented on the Defence Research Board Advisory Committee advising in this field; (d) no other countries participate. In accordance with established practice between allies, information is exchanged with the NATO countries and with USA when justified.

BEAVER HILLS PASTURE, SASKATCHEWAN

Question No. 1,202—**Mr. Nystrom:**

1. Were any cattle turned away from Beaver Hills pasture in Saskatchewan (a) this spring (b) the spring of 1969 (c) the spring of 1970, because of a positive reaction test for Bangs and, if so, how many?

2. How many cattle tested positive when they came out of the pasture in the fall of 1969 and 1970?

Hon. H. A. Olson (Minister of Agriculture): 1. (a) No; (b) no; (c) no.

2. 1969, none; 1970, none tested.

DEPARTMENT OF AGRICULTURE—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,218—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Agriculture (a) from other departments (b) from sale or services to industry, (c) to provincial government departments (d) to municipalities?

Hon. H. A. Olson (Minister of Agriculture): (a) Income derived from other departments during 1970-71 was $17,-260.95. (b) Nil; (c) nil; (d) nil.

REDUCTION IN PERSONAL AND CORPORATION TAXES

Question No. 1,230—**Mr. Southam:**

Is it the intention of the government to accept the advice of the Canadian Chamber of Commerce and cut personal and corporation taxes in the spring budget to speed the rate of economic recovery and improve employment opportunities?

Hon. E. J. Benson (Minister of Finance): Government intentions on matters of this nature would be answered at the appropriate time.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

PERCENTAGE OF FARMERS FILING INCOME TAX

Question No. 737—**Mr. Douglas:**

1. For each of the latest 15 years for which figures are available, how many farmers as defined in the census, were there in (a) Canada (b) each province?

2. How many and what percentage of such farmers in Canada and by province filed taxable income tax returns?

3. What was the average income tax paid?

Return tabled.

PUBLIC SERVICE—NORTHWEST TERRITORIES PERSONNEL

Question No. 910—**Mr. Dinsdale:**

1. How many government jobs in the Northwest Territories are held by the wives of public servants located in the Territories?

2. In what communities?

3. In what occupational categories?

4. Is any preference given to permanent local residents and, if so, what is the nature of such preference?

Return tabled.

IMPORTS AND EXPORTS

Question No. 1,021—**Mr. Valade:**

1. During the years 1965, 1966, 1967, 1968, 1969 and 1970, what have been the total (a) imports of (i) finished or processed products (ii) raw materials (b) exports of (i) finished or processed products (ii) raw materials?

2. For each of the same years, what were the total (a) imports (i) directed to the Province of Quebec (ii) directed to the Province of Ontario (iii) directed to other provinces (b) exports coming from (i) the Province of Quebec (ii) the Province of Ontario (iii) other provinces?

3. What is the breakdown in Parts 1 and 2 for each of the following countries (a) Japan (b) United States (c) Western Germany (d) Continental China (e) Formosa (f) Poland (g) Russia (h) France (i) Italy (j) Czechoslovakia (k) England?

Return tabled.

• (3:00 p.m.)

ORAL QUESTION PERIOD

PENITENTIARIES

KINGSTON RIOT—AVAILABILITY OF CITIZENS' COMMITTEE AND BOARD OF INQUIRY REPORTS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I wish to ask the Solicitor General if he is prepared to table in the House or otherwise divulge, to the extent to which it is not confidential, the report of the citizens' committee which met with the inmates and, as indicated in his statement of April 17, reported to the minister?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I have met Messrs. Martin and Haggart who made an oral report on the prisoners' requests and gave me a note, but I do not know whether it is official. However, I have considered their report as being official.

I would now have to determine whether the document they delivered squares with what they told me and if according to them, it is truly representative of the requests made by the prisoners.

[*English*]

Mr. Baldwin: In order to make available to the House at least the very useful information which this committee has probably gathered in connection with this problem, will the minister facilitate the appearance of a member or members of the committee before the Parliamentary

committee which is now considering the question of correctional services, since their contribution would possibly be helpful to the committee when making recommendations to the House?

[*Translation*]

Mr. Goyer: Mr. Speaker, the mandate given to this committee was quite clear. It was supposed to hear the prisoners' grievances and report to me personally.

Now, if the members of the committee wish to tell me about their experience, I will certainly consider their views.

[*English*]

Mr. Baldwin: I have one further supplementary, Mr. Speaker. The minister might like to review his statement. He did not quite answer my question. Possibly he might do that tomorrow. The minister indicated in his statement that he has directed a board of inquiry to be established to review the events, to assess responsibility and to report to him. I wish to ask generally the same question. After that committee has reported, will the minister be prepared to make all or part of the contents of that report public and have the members of the board appear before the Parliamentary committee for discussion?

[*Translation*]

Mr. Goyer: Mr. Speaker, in my opinion it has always been agreed that those would be the boards created to consider the internal problems and that accordingly, the report was of a private nature.

I am seriously considering the opportunity of appointing as members of this board persons that are not employed by the department.

[*English*]

KINGSTON RIOT—NATURE OF INMATES' COMPLAINTS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the Solicitor General's commendation of the citizens' committee, particularly Mr. Arthur Martin and Mr. Ron Haggart, can the minister inform the House as to the nature of the complaints transmitted to him from the inmates' committee, and what steps the minister is taking to rectify the situation?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, as I have indicated, the complaints submitted by the inmates had to do with the judiciary, the police and the penitentiary systems generally. They somewhat fall in line with the complaints brought forth by modern society and they refer not so much to the standards of living as to our way of life. Therefore, the physical conditions of detention as such are not involved but rather the conditions under which liberated inmates are reintegrated into society and this is why we want to review the conditions of detention.

On the other hand, I mentioned that three types of minor complaints were also brought up to our attention.

The first type concerned the fact that an inmate was reportedly beaten. As hon. members will recall, about three months ago two inmates of the Kingston penitentiary detained hostages and eventually the guards were left uninjured. Still, one of these inmates had a knife which had to be taken from him by force. No serious injuries were inflicted on the inmates. Later, a Mrs. Redmond, who had been called to intervene and convince this inmate to surrender his knife and his hostages, was able to see the inmate and discuss with him and she told us firmly that no more force was used than was needed.

The second grievance was related to the fact that when members of the House write to inmates, letters are opened and remarks from the Warden of the institution are added to them. This problem has already been raised in the parliamentary committee and I indicated that we were considering the possibility of revising this practice.

The third grievance was related to the fact that the acting assistant director of the institution had denied an inmate a remission of 15 days that had been granted to him. I inquired about this and it turned out that this is not in the least consistent with the facts. This inmate was never denied 15 days of remission.

[*English*]

Mr. Douglas: A supplementary question. May I ask the Solicitor General if one of the complaints transmitted to him by the inmates' committee through the citizens' committee was the boredom arising out of the fact that the inmates are not given adequate opportunities for training? If this is the nature of the complaint, I ask the minister whether steps are being taken to rectify it, particularly with regard to those who are moving to the new institution at Millhaven?

[*Translation*]

Mr. Goyer: Mr. Speaker, this was not a matter of complaint on the part of the inmates. On the other hand, I know that a problem exists in our institutions with regard to the industrial programs which must be implemented. In this connection I am expecting the report of an inquiry commission which was established a few months ago, and I will certainly study this report very closely in order to find out how this commission's recommendations may be carried out.

[*English*]

MILLHAVEN—ALLEGED INSTALLATION OF ELECTRONIC SPYING DEVICES

Mr. S. Perry Ryan (Spadina): Have electronic viewing and/or spying devices been installed in the new Millhaven maximum security prison and, if so, where have they been set up?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): No, Mr. Speaker. If there were spying devices, I would not want to reveal them, but I can say that there are no bugging devices at the Millhaven institution.

[Mr. Goyer.]

[*English*]

Mr. Ryan: Will the Solicitor General say categorically that there are none of these bugging devices in the cells or bedrooms of these prisoners?

[*Translation*]

Mr. Goyer: I say, Mr. Speaker, that there are no spying devices. That is the question I was asked. Now, if the hon. member has information, he might give it to us.

Mr. Speaker: Order. It seems to me that the minister has replied to the question.

[*English*]

SUGGESTED VISIT BY PARLIAMENTARY COMMITTEE TO KINGSTON AND MILLHAVEN—STEPS TO REDUCE PRISON POPULATION

Mr. John Gilbert (Broadview): In view of the fact that the Standing Committee on Justice and Legal Affairs has the power to visit Canadian penitentiaries, will the Solicitor General facilitate attendance of the committee at the Millhaven and Kingston institutions to observe the conditions there, speak to the inmates and report back to the House?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, the members of the committee and myself were to visit the whole Kingston complex and take the opportunity to visit Millhaven as well. Unfortunately, I did so in rather unusual circumstances, in which I should not like hon. members to find themselves, all the more so since a coroner's inquiry is now under way as it was discovered that one of the inmates was dead. Besides, the inquiry board has to look fully into the circumstances surrounding events and will certainly want to visit the institution before anyone else. Therefore, taking the situation into account I shall give the hon. member's proposal the most sympathetic consideration.

[*English*]

Mr. Gilbert: Since the Ouimet Commission expressed the view that the prison population should be reduced very quickly, and requested that a research committee be set up to study conditions affecting prisoners held in maximum, medium and minimum security institutions, would the minister make a statement on motions setting forth what he has done to reduce the prison population and set forth the criteria with regard to inmates of penal institutions?

[*Translation*]

Mr. Goyer: Mr. Speaker, to reduce the prison population is directly related to the number of persons sentenced to jail terms by the judiciary system.

That being said, perhaps we have stressed too much in the past the punitive aspect of the law and detention in general. Also it may be that the judiciary system should be revised so that the sentence be more consistent with the criminal act which has been committed.

AGRICULTURE

INTERPROVINCIAL MARKETING—GOVERNMENT ATTITUDE RESPECTING RESTRICTIVE MEASURES

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, my question is directed to the Minister of Agriculture.

Since some provinces are taking new steps to end the free trade of farm products between provinces, what approach does the federal government intend to take with regard to these restrictive measures that may prevent needed competition and balkanize trade between Canadian provinces?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): If I heard the question correctly, I should like to advise the hon. member that I do not intend to take any measures which would balkanize trade between provinces. All the Ministers of Agriculture have indicated to me, even very recently, that they are prepared to negotiate a plan in accordance with which all the marketing regulations would be applied uniformly across the country. As soon as Bill C-176 is passed and we have authority to do this, we believe we can alleviate this problem.

Mr. Baldwin: That is not what Thatcher says.

[*Translation*]

Mr. Beaudoin: Mr. Speaker, I have a supplementary question for the Minister of Agriculture.

What immediate steps does he intend to take to remove the embargo that certain provinces have put on a given farm product coming from other provinces?

[*English*]

Mr. Olson: What we intend to do is to move, as rapidly as the provinces and this House will allow us, to put into effect plans which will in fact remove this problem which is causing some difficulty in connection with provincial borders.

* * *

THE GOVERNOR GENERAL

INQUIRY AS TO CHANGE IN STATUS

Right Hon. J. G. Diefenbaker (Prince Albert): I would ask the Prime Minister whether or not there have been any discussions between various members of the Commonwealth, or whether any tentative arrangements were made at the recent Prime Ministers Conference, whereby Governors General shall hereafter be regarded as heads of state?

Right Hon. P. E. Trudeau (Prime Minister): There was no such general discussion at the Singapore Conference or at the London Conference which I attended. Beyond that, I imagine each government is giving thought to the problem in the way it best can.

Mr. Diefenbaker: Does that answer indicate that the Governor General, who is now visiting countries in continental Europe, has been given a direction by this government that he is the head of state of this nation?

Inquiries of the Ministry

Mr. Trudeau: The Governor General is in Europe on an official visit, obviously with the authority and consent of this government. It might be important to add, however, that the advice of the Queen was sought and that she did give her consent to this trip also.

Mr. Diefenbaker: That still does not answer the question. As for Her Majesty, the Queen, being consulted, she naturally takes the advice of her Prime Minister, so the Prime Minister does not get away from the question by that evasive answer. I ask the Prime Minister: Is the Governor General travelling, with the knowledge of the government of Canada, as head of state? If so, is this another step in the erosion of our monarchical system by the present government?

Mr. Trudeau: It could hardly be that because the head of state, under the constitution, is the Queen—

Mr. Diefenbaker: Yes.

Mr. Trudeau: —as the right hon. gentleman knows.

Mr. Diefenbaker: I enjoy the Prime Minister's evasive answers, but I want an answer to this question, and Canadians have a right to know. Is the Governor General properly representing himself to be the head of state rather than Her Majesty the Queen who now has received the official imprimatur of the Prime Minister?

Mr. Trudeau: I think the answer can be put quite simply by saying that the Governor General of Canada is travelling abroad in his function and capacity as, and under the title of, the Governor General of Canada.

Mr. Diefenbaker: And not as head of state; it is the old game.

* * *

ROYAL CANADIAN MOUNTED POLICE

KEEPING OF DOSSIERS ON MEMBERS OF PARLIAMENT

Mr. C. Terrence Murphy (Sault Ste. Marie): My question is directed to the Solicitor General. I should like to know whether Premier Campbell of Prince Edward Island was correct when he stated that RCMP dossiers are kept on all cabinet ministers in Canada. If so, are similar dossiers kept on other elected Members of Parliament and, in that case, on which members?

Mr. Speaker: Order. The question is in order to some extent, though not in the form in which it has been asked. The hon. member is inviting the minister to express his view on whether or not the premier of a province was correct in something he has said, and in those terms the question cannot be accepted.

Mr. Murphy: May I rephrase the question and ask whether or not it is the policy of the RCMP to keep dossiers on cabinet ministers or on any other elected members of Parliament?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I feel the RCMP should treat all Canadians the same

way. It does not rest with the RCMP to say that because a citizen is a university professor, or the head of a large company, or a member of Parliament, he enjoys a certain immunity.

[*English*]

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to ask the Solicitor General a supplementary question. In view of the fact that some time ago one of the officials of the RCMP indicated to me during a meeting of the justice committee that perhaps there would be files on Members of Parliament in the event that complaints were made by constituents or members of the public, would the minister now advise whether, in the event of such complaint against a Member of Parliament, it is the policy to compile a dossier relating to that member?

[*Translation*]

Mr. Goyer: Mr. Speaker,—

[*English*]

Mr. Speaker: Order, please. It seems once again there is some difficulty about the form in which the question is asked. I think that, as asked, it is extremely hypothetical.

Mr. Alexander: May I ask whether, in the event of a complaint by a constituent against a Member of Parliament, the RCMP, rightly or wrongly, would compile a dossier relating to that member?

Mr. Speaker: Order. I suggest to the hon. member that what I said in the first instance still stands. The hon. member is asking a hypothetical question, and in those terms the question cannot be asked. The hon. member might find some way to rephrase his question. I appreciate that the matter is an important one, but a question cannot be asked in those terms.

Mr. Alexander: May I ask a further supplementary, Mr. Speaker. I am just trying to seek information. Would the minister, at his earliest convenience and preferably this afternoon, indicate to the House and to the people of Canada just what is the policy of the government in this regard?

Mr. Speaker: Order, please. I certainly do not want to cause difficulty. The question is not quite in order. I understand that the hon. member is asking the minister whether such a statement would be made on motions; I am presuming he is not being asked to make a statement now.

[*Translation*]

Mr. Goyer: Mr. Speaker, I do not intend to make a statement on motions. I feel I have replied to the question and if the member does not understand me clearly, I wish he could be more specific.

[Mr. Goyer.]

[*English*]

ALLEGED RECOMMENDATIONS TO PRINCE EDWARD ISLAND PREMIER RESPECTING PROHIBITION OF CERTAIN PUBLIC GATHERINGS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a supplementary question to the Solicitor General. In view of Premier Campbell's statement that the RCMP advised him of the necessity of introducing the public order act in the province of Prince Edward Island, may I ask the minister whether any such recommendations were made by the RCMP to the premier of Prince Edward Island? If so, were these made with the minister's knowledge and consent?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, if this was done by the police authorities of Prince Edward Island, it was done as such, by police authorities that are under contract, but are necessarily employed by the province, and are required to give advice on the requests made by the government concerned.

[*English*]

SURVEILLANCE OF PUBLIC MEETINGS IN WHICH MEMBERS OF PARLIAMENT PARTICIPATE

Mr. David MacDonald (Egmont): Mr. Speaker, I have a supplementary question for the Solicitor General. Some weeks ago I placed on the order paper a question with regard to the security investigation procedures of that branch of the RCMP. I hope the minister will shortly answer that question. However, at this time I should like to ask him, through you, Sir, whether it is now the practice of the RCMP to photograph, and in other ways cover public meetings in which members of this House as well as civic officials, might participate, as was recently indicated by the premier of Prince Edward Island.

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, some hon. members seem to think that they are in the United States. I do not know whether it is the practice or not. What motivates the decisions of the Royal Canadian Mounted Police is the need to take action. There is certainly no systematic policy about citizens. Events lead us. If some methods have to be used with regard to an individual, it is because there is a clear indication that it is necessary.

[*English*]

Mr. MacDonald (Egmont): Mr. Speaker, I rise on a question of privilege. It is obvious that the Solicitor General has today failed to clear up a very important point that affects this member of the House inasmuch as reports in today's papers indicate that possibly RCMP surveillance, and by way of implication some form of intimidation, may in fact be exercised by members of the RCMP with respect to members of this House. I would invite the minister, at the earliest possible date, to clarify any possible danger that this kind of intimidation will become a consistent practice in this country.

[*Translation*]

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

Mr. Speaker: Order. Is the hon. minister rising on a question of privilege?

Mr. Goyer: Yes, Mr. Speaker.

I merely wish to point out that no over-all accusation of this sort may be brought, for this would truly amount to irresponsibility towards a department of the government. If the hon. member has a specific case in mind, he should spell it out and I will gladly have it investigated properly.

[*English*]

Mr. MacDonald (Egmont): I rise on a question of privilege, Mr. Speaker.

Mr. Speaker: Order. I will recognize the hon. member but perhaps we should move on. This is the third question of privilege we have had on the same matter. The hon. member rose on a question of privilege. The minister raised a second question of privilege and now we have a third. The Chair will recognize the hon. member in view of the importance of this matter, but we should try to make progress.

Mr. MacDonald (Egmont): Mr. Speaker, I want to make it very clear to Your Honour, to the Solicitor General and to other members of the House that I did not indicate that it has now become the practice of the RCMP to give extensive security coverage to public meetings in which members of this House and civic figures may happen to participate.

KEEPING OF DOSSIERS ON MEMBERS OF PARLIAMENT

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, so important is this matter to the independence of Parliament that the minister, now having opened the door as far as he has, must let this House know whether or not the Royal Canadian Mounted Police have dossiers on Members of Parliament. This is something that cannot be cleared up by evasive answers. Dossiers are the first step toward the control of the independence of parliament. Will the minister give his unequivocal answer that the Royal Canadian Mounted Police, for whom he speaks in this House, have not, and are not continuing to have, dossiers on Members of Parliament? Let that be clear and let the House have the answer.

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am convinced that the Royal Canadian Mounted Police enjoys the greatest respect from Parliament and I do not think that Parliament as such has grounds for complaint about the methods used by the RCMP. Some individuals may have such grounds, and I am still waiting for specific complaints to be made.

Now, I find no provision in the law—and if there is, I should very much like to be enlightened about it—to the effect that members of Parliament are not also citizens, that they enjoy complete immunity and that they can do anything. If the House wishes to pass such a provision, the people will think that hon. members constitute a special category of citizens in this country.

[*English*]

Mr. Speaker: Order, please.

Mr. Diefenbaker: Mr. Speaker, I must ask a supplementary question since the last answer is worse than the first.

Mr. Speaker: Order, please. I will recognize the right hon. gentleman in a moment, but I suggest to hon. members that there is not much point at this time in having this very important matter develop into a debate. This is still the question period. For the time being, the Chair will recognize the right hon. gentleman who has a supplementary.

Mr. Diefenbaker: Mr. Speaker, there is no debate. I asked the minister the simple question: Are there dossiers on Members of Parliament? Members do not expect to be treated differently from anybody else, but Members of Parliament have the right to know whether this government has launched upon a system of looking into the lives of individuals through the Mounted Police.

[*Translation*]

Mr. Goyer: Mr. Speaker, I said that the department applied no general policy in this respect, and I might add that for the time that I have been Solicitor General, I have not seen the file of any member.

[*English*]

Mr. Baldwin: I rise on a question of privilege, Mr. Speaker. The statement that has just been made and the failure of the minister to answer adequately have left a very bad situation in this House. This is a breach of privilege. I will not bother Your Honour at this time with a review of the privileges of members of this House. I am not referring to privileges in addition to those to which all citizens are entitled but specifically to the privileges of Members of Parliament. The issue raised is the extent to which these privileges are being infringed. I would therefore move, seconded by the hon. member for Egmont (Mr. MacDonald):

That the whole question of the statement by Premier Campbell regarding dossiers on M.P.'s be referred to a parliamentary committee.

Mr. Speaker: Order, please. Of course the hon. member realizes that he cannot make this kind of motion without first establishing that there is a question of privilege.

Mr. Baldwin: I recognize that, Your Honour.

Mr. Speaker: The matter would have to be considered. The hon. member has sent a piece of paper to the Chair which indicates that he wishes to have this very important matter referred to a committee of the House. If the matter raised is that important, the hon. member would be the first to recognize that it would have to be consid-

ered by way of a question of privilege. This is the only way such a matter can be referred to a committee. I am not sure whether the terms of the motion would be appropriate. In any event, the Chair will give the matter some thought. If the hon. member wishes to submit advice to the Chair as to whether there is a question of privilege, this might be done in due course. I should think that would be the time the motion might be moved. In other words, the hon. member is indicating indirectly to the Chair and to the House that he will in due course seek to have the matter referred to a committee by way of a question of privilege. The Chair will consider the matter in this light.

Mr. Diefenbaker: Mr. Speaker, I should like to say, by way of a point of order, that Your Honour has custody of the rights and prerogatives of the members of this House. I suggest to you that this is so serious a matter you ought to look into it personally in the next couple of days with a view to ascertaining the facts. You need not reveal them to the House at the moment, but this is something which contravenes every basic principle of Parliament. Your Honour is the protector of the rights—

Some hon. Members: Oh, oh!

Mr. Diefenbaker: Not for those people over there who say "oh, oh". Those prospective heirs-apparent as parliamentary secretaries who interrupt continuously in this way do not understand Parliament. I suggest to you that this is something deserving of the fullest investigation, which should start with Your Honour, to assure that the kind of uncertain and evasive answers we have had today shall be cleared up by a proper conclusion as to whether or not Members of Parliament are subject to Mounted Police dossiers.

Some hon. Members: Oh, oh!

Mr. Murphy: On a point of order—

Mr. Speaker: Order, please. The hon. member for Sault Ste. Marie is rising on a point of order.

Mr. Murphy: Mr. Speaker, I would just like to remind the right hon. gentleman on the other side as to who raised this very important point.

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FINANCE

DATE OF PRESENTATION OF BUDGET—METHOD OF MAKING INCOME TAX CHANGES

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I should like to direct a question to the Minister of Finance regarding an entirely different matter. Is he able to tell us when he is going to make his budget presentation? Does he intend to include in that presentation changes to the Income Tax Act, or is he going to take alternative steps to introduce those changes and, if so, when?

[Mr. Speaker.]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I am sorry I cannot indicate that date at the present time, but I shall do so at the earliest possible moment.

Mr. Lambert (Edmonton West): Mr. Speaker, because of the importance of the situation and the anticipation in the country, can the minister tell us whether before the end of this month he will be in a position to disclose the date of his budget presentation and when he will introduce his tax changes?

Mr. Benson: I shall try very hard, Mr. Speaker. I can assure my hon. friend that it will not be before the end of this month that the introduction will take place, but I will try at the earliest possible date to indicate the procedures involved. As I indicated previously, the problem in this matter of tax legislation is one of drafting. I cannot give a precise date as yet, although I hope to be able to do so in the very near future.

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HOUSE OF COMMONS

INQUIRY AS TO BY-ELECTION IN RIDING OF ASSINIBOIA

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I should like to address a question to the right hon. Prime Minister. In view of the fact that the date of the by-elections to fill four vacancies in this chamber has been announced, and in view of the fact 35,000 people in the riding of Assiniboia are not represented, is it his intention to call for a by-election in that riding at an early date?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, at an early date.

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AGRICULTURE

FARM PRODUCTS MARKETING BILL—EXCLUSION OF CATTLE AND CALVES

Mr. Cliff Downey (Battle River): Mr. Speaker, I should like to direct a question to the Minister of Agriculture. In view of the fact that over the Easter recess the minister went home and has had the benefit of the thinking of the various cattlemen's associations, can he now say if he is prepared either to move or accept an amendment which would exclude cattle and calves from the ambit of Bill C-176?

Mr. Speaker: Order, please. During the question period an hon. member cannot raise matters which are being discussed by the House. The hon. member is anticipating an order of the House. In the terms his question has been asked, it is not in order. Perhaps the hon. member might find some way to rephrase the question, but I doubt that he can find a way to make it acceptable from a procedural standpoint.

Mr. Downey: Mr. Speaker, I should like to ask the minister to indicate the attitude of the cattlemen's associations with which he discussed this matter during the Easter recess.

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, all the views of the various organizations, some pro and some con, are well known to all members of the committee.

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PROVINCIAL AFFAIRS

PRINCE EDWARD ISLAND ACT PROHIBITING CERTAIN PUBLIC GATHERINGS—REVIEW BY SUPREME COURT OF CANADA

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of Justice. Having seen into what deep waters his colleague the Solicitor General was drawn, can he now advise whether he has given consideration, under the appropriate section of the Supreme Court Act, to requesting a review by the Supreme Court of the Prince Edward Island act to prevent public gatherings?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, we would not initiate a reference to the Supreme Court on a matter affecting provincial legislation. If that legislation is to be challenged in any way on constitutional grounds, the courts are open.

Mr. G. W. Baldwin (Peace River): Mr. Speaker, would the minister indicate when, and in what form, this House will be discussing the question of the Public Order (Temporary Measures) Act, at which time the question of the constitutionality of the Prince Edward Island legislation could be discussed?

Mr. Turner (Ottawa-Carleton): Soon, Mr. Speaker.

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CAPE BRETON DEVELOPMENT CORPORATION

REPORT ON FUTURE PLANS AND RECOMMENDATIONS

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Regional Economic Expansion. Further to my question to the minister on April 1, I should like to ask whether he can now advise if he has received the report of the Cape Breton Development Corporation on the so-called master plan for future development of Cape Breton Island, and can he also advise when action will commence on the implementation of such a plan?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I understand that this plan has yet to the formally approved by the board of directors of Devco; once approved—and a study is now being conducted—I will be glad to relay its findings to the hon. member.

[*English*]

Mr. Muir: Mr. Speaker, I intended to ask whether the minister intends to table the plan. He continues to insist that he has never seen the plan and knows nothing about it. In light of the fact that the front page of the Cape Breton *Post* of Wednesday, April 14, carries a complete and comprehensive—

Mr. Speaker: Order, please. Perhaps the hon. member would like to ask his supplementary without making an argument in support of the question.

Mr. Muir: Mr. Speaker, I have to lay some background for the benefit of the minister who is so vague and at a loss in respect of the whole situation. He does not seem to know where the plan is or if there is such a plan. In view of the fact that this newspaper report is so detailed and comprehensive that it cannot be speculative, surely, members of this House ought to be given—

Some hon. Members: Order!

Mr. Speaker: Order, please.

Mr. Muir: Will the minister now give some information on the report?

Mr. Speaker: Perhaps the minister might want to reply briefly. Let me bring to the attention of hon. members that we are running short of time. We have only three minutes left for the question period and a considerable number of members have not had an opportunity this afternoon to ask questions.

[*Translation*]

Mr. Marchand (Langelier): I merely hope, Mr. Speaker, that the hon. member will kindly send me a copy of the paper in which the report appeared.

[*English*]

Mr. Muir: I rise on a question of privilege, Mr. Speaker. I should be very pleased to send a dozen copies to the minister if that will assist in stopping this government from playing so fast, so ruthlessly and so callously with the unemployed people of Cape Breton Island where unemployment is now up to 25 per cent.

Mr. Speaker: Order, please.

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GRAIN

RAPESEED—CLOSING OF VANCOUVER FUTURES MARKET BY WINNIPEG GRAIN EXCHANGE—CONSULTATION WITH MINISTER

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I should like to direct my question to the minister in charge of the Wheat Board. In view of the decision by the Winnipeg Grain Exchange to close the futures market for rapeseed at Vancouver, will the minister inform the House whether or not he was consulted before this decision was taken and whether the action can be at-

tributed to the unsatisfactory operation of the futures market in respect of west coast operations?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I had some discussions with members of the Winnipeg Grain Exchange, at least indirectly, about this matter. The explanation, of course, is one which would better come from the exchange than from me. The indication from members of the Grain Exchange was that they thought a single futures market operating on a base in Thunder Bay, with a premium for Vancouver delivery, might in fact lead to a steadier futures situation in the Vancouver market.

Mr. Gleave: Mr. Speaker, I have a supplementary to the question I asked the minister. According to reports we have had, it would now appear that purchases of rapeseed at the west coast can be made only on a spot basis at day-to-day prices, which is a rather difficult operation for purchasers. Can the minister inform the House of the outcome of the meetings held over the weekend in Vancouver in respect of these operations, and has he any plans for establishing a sound basis of marketing and pricing there?

Mr. Speaker: I trust the minister's reply will be shorter than the question asked because there are about 30 seconds remaining in the question period.

Mr. Lang: Mr. Speaker, I have no comment on those meetings at this time.

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VETERANS AFFAIRS

SUGGESTED MAINTENANCE OF HALIFAX SAILORS' MONUMENT BY DEPARTMENT

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is for the Minister of Veterans Affairs. I have given him notice of it. Would the minister consider having his department take over the sailors' monument at the south end of Halifax so that there will be a properly kept memorial for those Canadian servicemen whose grave is the Atlantic Ocean?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, I do appreciate the interest of the hon. member in this very magnificent monument, but there are no funds in my estimates for such an undertaking. There are quite a few monuments of this kind throughout the country and usually they are looked after by local associations.

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[*Translation*]

BROADCASTING

QUEBEC—JURISDICTION OVER CABLEVISION

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the hon. Secretary of State.

Is the minister in a position to give some clarification about the request from the province of Quebec to retain its jurisdiction over cablevision?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I think that the Quebec Minister of Communications gave all the clarifications in his speech and I am not his official agent.

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

Is the government prepared to leave to provincial authorities cable-transmitted television programs of educational nature?

Mr. Pelletier: Mr. Speaker, the position of the federal government in the field of educational television was outlined a few months ago in a comprehensive statement I made on motions and to which I refer the hon. member. It would take too much time to explain once again the whole situation and the agreements we concluded with the provinces.

Mr. Fortin: May I ask a question, Mr. Speaker?

Mr. Speaker: I shall recognize the hon. member for Joliette and as soon as he has received an answer, the Chair will call orders of the day. The hon. member for Joliette.

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to direct a supplementary question to the hon. minister.

Since the Quebec Minister of Communications has announced the introduction of a law concerning cable television, could the minister say whether he will soon meet with his Quebec counterpart to discuss this subject, or whether he really intends to let the Supreme Court settle the question?

Mr. Pelletier: Mr. Speaker, I do not think that the alternative as formulated by the hon. member is a valuable one. I think that there are several other actions that both governments can take, further to personal conversations with a minister and the appeal to the courts. I feel that strategy, on either part, can be much more intricate, and procedure as well. I believe there is a possibility of preventing this difference of views from turning into a fruitless quarrel and, as far as we are concerned, we do intend to use all means to avoid a useless quarrel.

[*English*]

Mr. Speaker: Orders of the day.

Mr. MacDonald (Egmont): On a point of order, Mr. Speaker, before the question period began I attempted to gain unanimous consent of the House to deal with the growing concern and apprehension over implementation of the Opportunities for Youth program. Since the Secretary of State may not be here again for some days, and since there is urgency connected with the question, I wonder whether the House would allow the minister to clarify what steps are going to be taken to clear up the uncertainty about the criteria in respect of the program and the adequacy of funds.

Mr. Speaker: Order, please. The hon. member is asking the House for unanimous consent to return to motions

to allow the minister to make a statement. Is there such unanimous consent?

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent.

Mr. MacDonald (Egmont): Mr. Speaker, on a further point of order, I was not asking for a statement on motions but for a brief indication in answer to my question or a willingness to come here tomorrow to make a statement.

Mr. Speaker: Again, this would require unanimous consent of the House. We have now gone beyond the question period and there are a number of members who have been waiting for an opportunity to ask questions.

An hon. Member: About the same thing.

Mr. Speaker: Order, please. I appreciate the importance of the matter raised by the hon. member for Egmont, and perhaps tomorrow he might be given some priority to ask the question and to invite the minister to make a statement.

Mr. MacDonald (Egmont): On a point of order, Mr. Speaker, can we be assured that the Secretary of State will be here tomorrow because, in view of the half-hearted system under which the government operates, we can never be sure what ministers are going to be in the House?

Mr. Speaker: Orders of the day.

• (3:50 p.m.)

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT, COMMISSION, BENEFITS, PREMIUMS ADMINISTRATION, ETC.

Hon. Bryce Mackasey (Minister of Labour) moved that Bill C-229, respecting unemployment insurance in Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

He said: Mr. Speaker, Bill C-229 is a bill designed to amend the Unemployment Insurance Act once again, but perhaps for the first time in a more comprehensive manner than has been the case on previous occasions. I do not intend to dwell at any length on the history of the existing act. The proposed bill is a very long bill. I think it would take too much time to cover it adequately. I hope, however, that during the debate on second reading, and perhaps in my closing remarks, I might do justice to this bill which I believe is for the general betterment of workers in this country.

I should like to remind the House that the original Unemployment Insurance Act has been around since 1941, almost 30 years. It has been one of the stable pieces of legislation in this country and has become familiar to all of us. Upon reflection, I think it is one of the most progressive pieces of social legislation ever introduced in Canada. It is interesting to note that back in 1941, when unemployment insurance was first implemented in Canada, the ceiling was at earnings of $2,000 a year. We can see that in 30 years times have changed considerably because even the existing act which we are proposing to amend has a ceiling of $7,800.

Before going into the details of the proposed changes, I should like to mention the work of the standing committee which discussed the white paper that was made public many months ago and tabled in this House, although not necessarily in that order. From that particular committee, which worked for many months and heard, I presume, some 60 odd briefs from labour and management, came, I gather, a unanimous report which was tabled in the House and which includes at least seven recommendations for improvement.

Mr. Alexander: Mr. Speaker, I rise on a point of order. I hope the minister does not mind my interruption. He said it was an unanimous report of the committee. I do not want to be placed in the same position as the chairman of the standing committee found himself in some time ago. So there will be no mistake, I must say that the report was approved on division.

Mr. Mackasey: I accept that, Mr. Speaker. I did not want to imply that amendments by any members of the committee would not be entertained. I am not aware of a minority report, but we never are during committee stage and second reading. Nevertheless, in accepting the reservation of the hon. member, I still think the work of the committee deserves some commendation in the House of Commons because, as I recall the events, the committee members were called upon to sacrifice some of the summer holiday period and meet in Ottawa to hear briefs, from labour, management and many different groups of people. Although the report may not be as unanimous, as I assumed it was, it is nevertheless a reflection of the committee's work at its best.

One thing from which we have not departed in this bill is the fact that the proposed new legislation will deal with a specific group of Canadians, essentially those who can be identified as being part of the work force of Canada. One of their basic characteristics, of course, is that they are in the work force but that periodically they suffer an interruption of earnings for a temporary period of time. In other words, unemployment insurance was never intended, nor is it intended, to look after the particular problem of people who are chronically unemployed or who are without jobs for considerable periods of time. These less fortunate people must turn to other programs for the type of financial assistance that is needed. There has been no basic departure from that particular condition.

The bill that is before us reflects to a great degree the recommendations in the committee report by implementing many of the recommendations that the committee

made to the House. If there are a few that are not—and I will explain it later when we get back to committee—there could very well be other clauses. It is a lengthy bill. I might say, before I get into the bill itself, that it represents many months if not years of preparation, many meetings of the committee and much consultation with the provinces. As a result of consultation with the provinces there have been one or two changes in the bill which I think have made the bill a better one, for instance as I previously mentioned once or twice in the question period, we are no longer limiting referrals to the Department of Manpower and we are taking advantage of other social agencies across this country that can help people without work. We also indicated that when and if a province were to introduce on the provincial level, and for all residents of that province, features equal or similar to those provided by the new unemployment insurance act in the case of illness or maternity, we would gladly take this into consideration in assessing the rates of the workers in that particular province in order that there may not be duplication, overlapping or double taxation of the individual worker in that province. Particular clauses in the bill make this possible, when and if a province introduces some form of universal health insurance, which would provide income to workers who are out of work as a result of illness.

I think that those members who have been in close touch with the particular problem concerning the Unemployment Insurance Act in the past agree that the benefits paid to workers were very unrealistic if the act was to fulfil its main purpose, that is to help people who are temporarily out of work to find work without having to face the problems of insufficient income during the period of unemployment. In other words, we have substantially increased the benefits to which a person is entitled under the proposed act so there will be a direct relationship between the benefits received and the level of income that he has achieved over a period of time. It has been widely heralded in headlines that everybody on unemployment insurance would draw $100 a week. Of course, this is not true. People would draw two thirds of their income in most cases, with a maximum of $100, and people drawing $100 would be those whose average income over a set period of time was $150 a week or more. So there may be consistently with the proposed tax reform, and with equity of all types, benefits will be taxable in the same way as other forms of income are taxable. This is a departure from the present act. I might remind hon. members that at present benefits are not taxable, but the new benefits will be.

The second change makes universality possible. Universality was one of the recommendations in the Gill report and basically is the cornerstone of this legislation. We have tried, and I do not apologize for this, to make the coverage under the Unemployment Insurance Act as universal as possible. We have not included self-employed people for a variety of realistic reasons, one of course being the administrative problems that this would create and another the fact that a self-employed person, has control over his destiny, over his profits and loss. Unemployment insurance is not intended to be insurance against a bad business venture.

[Mr. Mackasey.]

However, we have extended universality by removing the $7,800 ceiling on salaries and generally extended coverage to any member of the work force whose employer we can identify. This includes groups which have traditionally been exempted in the past, such as school teachers, army personnel, firemen, policemen and federal civil servants. These people will be included in the act for the first time. I think this is consistent with social insurance, social policy and social legislation. I would be the first to admit that many of the groups coming in are less likely—I hope for their sake—to ever have to draw the benefits of unemployment insurance than others who are less fortunate. Nevertheless, there will be many people coming in who should have been included many years ago, people who were left out for traditional reasons, such as social workers, casual workers working for different governments and municipalities.

• (4:00 p.m.)

It is significant that of the 1,200,000 who will be coming under the act for the first time, at least 700,000 are earning less than $7,800 at the present time, and only about 500,000 of those people coming into the plan for the first time earn above that figure. From this we can see that there has been unintentional hardship all through the years as a result of our not broadening the coverage to bring in many people who have had to get by as best they could. I refer to the chronically unemployed people and other people who, for one reason or another, have not been covered. This is one of the progressive features of this proposed legislation.

We have received many representations from groups who have opposed the concept of universality, particularly teacher groups. I have appreciated their contributions to the debate. I have met with most of their provincial organizations and, in the main, found that the concept was fairly acceptable to them, although there were exceptions in each group. But Mr. Speaker, there are many teachers who are prepared to come into the plan, understanding that we live not only in a new type of society in which technology can almost make a trade or skill disappear over night, but that in a period of high unemployment across the country the traditional characteristics of unemployment are changed. It used to be the case that the undereducated and the younger people were most affected, but now for the first time people with 20 or 30 years seniority—here I am thinking of people in the railway industry, of architects, engineers and bookkeepers—are finding that they may be threatened with unemployment. I am also thinking of many people who, even ten years ago, could reasonably be satisfied that they would not become unemployed, depending on their seniority and the development of the particular skills they possessed. But that is no longer characteristic of any industrial nation, and unemployment insurance will be of benefit to these people.

I would not want to leave the impression, Mr. Speaker, that all teachers across Canada are prepared to come into the plan, but I am saying that their organized opposition to its universality is not nearly as consistent as it was a month or six weeks ago. That has been due to the many

meetings we have had with their responsible representatives, and to the many hours we have spent exchanging views and ideas. Now, I think the dialogue with the teachers centres more around regulations, and ways and means by which the plan can help them under certain circumstances.

I found that statistically almost 70 per cent of teachers are women, and they have absolutely no maternity coverage at all under the present collective agreements. We propose to provide unemployment insurance benefits to those people in the work force who are temporarily without earnings as a result of maternity. This is quite consistent with progress in an advanced industrial society. It is not revolutionary, because many countries around the world have already incorporated this feature into their plans. This is a way by which we can provide some security for the person who must retire from the work force in order to have a child.

I think that before we get too smug about women in the work force, we should realize it is a sad commentary that at least one million women in the Canadian work force are in it not because they want to buy a second automobile or a coloured television set but because their income means the difference between poverty and survival. When, in such instances, a woman is deprived of her income as a result of maternity, this creates a terrible hardship. I am hopeful that drawing unemployment insurance, after a two weeks waiting period, for at least 15 weeks will help the working mother.

Another reason for the proposed increase in benefits stems from the fact that many Canadians today drawing unemployment insurance must also draw a welfare cheque in order to support themselves and their families. There are very many Canadians who just manage to survive on two cheques, their unemployment insurance cheque and their welfare cheque. I do not want to bore the House with a great many statistics at this stage, but when the legislation is being examined by the committee we can provide full statistics for hon. member's who may be interested in them.

By increasing unemployment insurance benefits substantially we will affect savings of some $80 million under the Canada Assistance Plan, $40 million to the federal treasury and $40 million to the provinces. At this stage I am not going to bother breaking down the amount with respect to each province. This depends on the rate at which they pay out welfare, but the increased unemployment insurance benefits will mean that for the first time many Canadians will not have to live on two cheques.

Further, Mr. Speaker, the increase in benefits will postpone the day when people chronically unemployed must turn to welfare if they have no other sources of income. It can be said that the benefit structure has been developed by people who care about people. The argument that this will breed laziness, that it is catering to lazy people, is an argument that should not be raised in this chamber. But, Mr. Speaker, it is an argument that we hear too frequently. It is said that people are inherently lazy. That has not been my experience. Tests made in New Jersey indicated that even people living on a guaranteed income, everything else being equal, will seek work if at all possible. In fact they prefer to work rather than live on a guaranteed annual income, and I do believe that the overwhelming majority of Canadians in the work force would prefer a job rather than unemployment insurance or welfare, if they have that choice.

Universality, Mr. Speaker, will make it possible to reduce the contributions per week. At the present time a person earning $100 a week pays $1.40, and incidentally has no tax deduction for that $1.40 if perchance that person never draws unemployment insurance. It is now proposed that the rate be adjusted to somewhere between 80 cents and 92 cents, depending on the statistics that we are now finalizing. In any event, there will be a fairly substantial drop from the $1.40, and in addition the contribution will be tax deductible in the same way as are medical expenses.

Perhaps I am rather disjointed in my remarks, Mr. Speaker, because I am not following my text closely, but one thing about which I am most excited is the financing of the plan. What we propose to do in the main, is to limit the cost of the plan, up to a particular threshold which I will discuss in a moment, to the employer and the employee. The question of collections and that type of thing will be transferred from the Unemployment Insurance Commission to the Department of Revenue. In other words, on his T4 slip a person will receive a record of his contributions for tax purposes, and also for tax purposes a record of what he received. But what intrigues me about our format, so far as financing is concerned, is that the employer and the employee both will be paying their share when unemployment in the country is under the level of 4 per cent. This is the threshold that we have decided, and in a little while I will explain why it has been set at 4 per cent and not 3 per cent or 5 per cent, above which the state will contribute. But to that point, the employer and the employee will finance the plan.

Once again, and perhaps this has been due to lack of communication on my part, there has been the mistaken idea circulated that people with eight weeks contributions paid will get 44 weeks benefit. I have heard this said on radio and television by some well meaning people. It has also been said that a person with 20 weeks attachment in the work force will draw 52 weeks benefit. This is not the case. What a person with eight weeks attachment, between eight to 15 weeks attachment, will be eligible for is benefit for 18 weeks, and the person with 20 weeks attachment will draw 25 weeks benefit.

At the end of the eighteenth week when this normal benefit has run out, the probability of the person being re-absorbed into the work force will be assessed according to basic criteria, and part of the criteria will be the rate of unemployment in the country and the rate of unemployment in the specific region in which the person lives. It is logical to expect that with a 2 per cent unemployment rate, a draftsman in Toronto or an engineer in Newfoundland has a better chance of being absorbed back into the work force than if the unemployment rate were 5 per cent, 6 per cent or 7 per cent.

However, I repeat that it is following that assessment that we extend the 18 weeks benefit in movements of six weeks, depending on the deviation of the national rate of unemployment from the figure of 4 per cent. In other words, if the rate of unemployment across the country is 6 per cent, as it is now, this will extend the 18 weeks by 12 weeks.

Mr. Douglas (Nanaimo-Cowichan-The Islands): Automatically?

• (4:10 p.m.)

Mr. Mackasey: Yes, sir. Then, of course, if you are still unemployed we would take into consideration the regional rate. The purpose of this is logical. It is sound insurance. We are insuring not what happened in the past; we are insuring the probability of your being reabsorbed into the work force and we must take into consideration the economic conditions of the country at the time.

Those hon. members who know more about economics than I, and I suppose that includes almost all hon. members of the House, can appreciate the effect that an injection of approximately $100 million for every one, per cent of unemployment in this country can have when we reach this particular plateau. The financial critic of the New Democratic Party would understand something that has evaded economists for years, the mechanism by which we can inject into the economy and into the hands of people who have a propensity to consume and spend, the money that is necessary when the economy needs stimulating. That is not hard to do. The problem has been to retrieve the money when the economy has been booming and when too much money has been in the economy. This feature of the bill will make this possible. If the rate of unemployment happens to be 6 per cent, that will mean an injection into the economy by the government, through the unemployed people in this country, of approximately $200 million. However, if unemployment were to drop to 4 per cent, by shortening the benefit period under which people are entitled to unemployment insurance, we will remove from the economy approximately $200 million.

Many features of the plan can be criticized objectively. I expect this and welcome it. On balance, I think these are all questions of degree. Should the waiting period be two weeks, or one week, or no weeks? We think it should be two weeks. We set two weeks because of the master plan we had in mind. We considered the cost of the plan and the need to provide maximum benefits at the lowest possible cost to the Canadian worker, particularly since he will be partly financing this plan. That has been one of the considerations. If you were to reduce the waiting period to zero, the cost would be astronomical. At two weeks we think the cost will be bearable and will permit us to build in this two thirds relationship as between benefits and a person's actual income. It is very easy to criticize or take objection to certain specific features of the bill. I only hope that hon. members who are here will approve of these changes, suggest modifications and improvements and try to look over the bill so that we can come up with the best possible legislation for Canadians.

There have been the usual criticisms, Mr. Speaker, that unemployment insurance is welfare in disguise. It never has been that and it was never meant to be. We have attempted to close up the unintentional loopholes that previously permitted welfare connotations to creep into the plan. One of the weaknesses of the present structure is this: it has been difficult for people legitimately in the work force for the first time to become identified as legitimate members of the work force. After you leave university or high school or teacher's college and enter the work force for the first time, you must be part of the work force for two years and accumulate by a tortuous formula 30 contributions—hon. members know all the rest of it—as well as so many contributions in the last year before you are eligible for any type of assistance. We propose to reduce that period. We shall consider someone as attached to the work force if that person has as few as eight weeks of contributions. I say that because we are interested in the future of that worker and not in his past history. I think this will be of tremendous advantage to the Canadian worker. This is his fund.

I have heard people saying, and read editorials to this effect, that after a contribution of $1 or $10, say, a person can draw $5,200. I could make a similar argument about the man who buys insurance on his home today and sees it burn down tomorrow, or about the poor fellow who buys life insurance today. It is small consolation for the widow to hear, "Well, your husband invested $50, and you got $10,000 four days later." Of course, the whole concept of insurance, which I need not explain to hon. members, is the pooling of risks. This is what we are doing. Of course, there will be some of these cases. However, our plan is actuarially sound in general and we know it.

I have mentioned pregnancy, Mr. Speaker, and we do not apologize for the inclusion of that feature. One of the greatest unintentional abuses under the present plan has stemmed from the fact that women who were about to have a child, as is their right, have gone to their employer and said, "I am sorry but I cannot continue working because I am expecting a child." In more cases than we realize, the well meaning employer has falsified the reason for that woman's dismissal. Then, the lady, either through the mail or by visiting the local office, will say, "I have been laid off owing to lack of work." She could begin drawing unemployment insurance and, unfortunately, in many cases draw it for 52 weeks. Now, we are making it possible for an employer to be honest. He can fill out a declaration that Mary Jones is retiring from work temporarily because she is to have a child. She does not have to falsify the reason for quitting and she need not feel like a criminal. She may go to the unemployment office and draw exactly what she is entitled to, 15 weeks coverage—that being nine weeks before the termination of pregnancy and six weeks after.

I think the inclusion or recognition of sickness as a legitimate reason for drawing unemployment insurance is long overdue. May I remind hon. members that, at the moment, if you are dismissed on Friday and establish your claim at the local unemployment insurance office on Monday then fall sick on Tuesday, you can draw unemployment insurance. On the other hand, if you fall sick

between the day on which you are laid off and the moment of establishing your claim, you are ineligible. If you become sick and are laid off for that reason, you are not eligible. What we are saying, to simplify the matter, is nothing more than this. If you are laid off as a result of sickness, we are willing to weigh the conditions under which you can draw unemployment insurance if you are ready, willing and able to draw unemployment insurance. We will be prepared to recognize the fact that, because of a legitimate illness, you will not be able to work during the prescribed period of between two and 15 weeks. I think that all those who have looked in horror at this plan will understand that this is logical.

Another source of unintentional abuse has been seasonal benefits. As of November this year, seasonal benefits will be eliminated. These have been a source of abuse in a sense that many people were drawing unemployment insurance in our harsh winters who were not supposed to be drawing it. This plan is part of a total, social plan and is directed towards and earmarked for that particular group of Canadians who have contributed to and are normally part of the work force. The payment of seasonal benefits, as most hon. members know, stems from nothing more than a relaxation of the normal rules and regulations that apply during the rest of the year. We are paying unemployment insurance benefits in the winter months to many people who cannot really say that they are legitimate members of the work force. There are people who have collected stamps or the necessary attachments 24 months ago, say, and they can take advantage of the loophole. In addition, of course, seasonal benefits are no longer needed because one has only to be attached to the work force for eight weeks to qualify. This is basically the logic behind dropping seasonal benefits. I think, and I may be mistaken, that even if the present rules are relaxed a person must have 15 weeks of contributions to be able to draw seasonal benefits now. There may be some variation of that formula. Now, people will be able to draw seasonal benefits if they have a period of eight weeks of attachment to the work force.

Another source of abuse—and I use the word "abuse" in the sense that it can be demonstrated that the group I am about to refer to draws an awful lot of money out of the plan in comparison with the amount it puts in—has to do with people who are over 65. We have discussed this with many of their representatives. People drawing the Canada Pension Plan or the Quebec Pension Plan have indicated to all of us that they are prepared to withdraw from the work force. Many such people in all probability are drawing the old age pension, supplemented by some payment, I suppose, which is based on a needs test. They could very well be drawing a company pension as well. We do not feel as some felt in past periods of Canadian history, and I am referring to 1940 when the act was brought into force and to subsequent decades, that the average person over 65 should be forced to work. The Canada Pension Plan was introduced to make it possible for senior citizens to live in dignity. We now suggest that people who are over 65 and drawing Canada Pension Plan benefits are out of the work force. If they remain working they are not obliged to pay unemployment insurance premiums, but when they cease working they will not draw unemployment insurance. The relationship between their other pension plans and the unemployment insurance benefits they may draw is something we can discuss at the committee stage.

• (4:20 p.m.)

I made a promise in the white paper which I will repeat today. The fishermen will remain in the unemployment insurance plan until such time as a suitable plan is brought forward by another minister that is acceptable to their representatives and which in effect provides some form of insurance for these people. I am not talking about all fishermen. Many fishermen are easily identifiable as legitimate employees. I am talking about employer fishermen, the type who share their catch, but who have been identifiable by regulation as being employed. We will continue this until such time as a suitable alternative plan is brought in through legislation which is acceptable to the fishing industry.

Mr. Douglas: Will the minister permit a question? The minister has quite properly stressed the principle of universality. I think the new group being brought in represents a forward step. I ask the minister why we are then taking the backward step of taking the fishermen out of the unemployment insurance. I appreciate his statement that some other plan will be introduced. What is the rationale behind removing the fishermen from the Unemployment Insurance Act?

Mr. Mackasey: I do not want to get into a debate on the little issues. The rationale is that at the same time as I am bringing in this plan, I want to eliminate as much as possible anything that can be considered as having a welfare connotation. This is one of the legitimate criticisms of the plan across this country. Incidentally, anything that may be considered to be a welfare insurance plan becomes available when the government pays the cost rather than the employer and employee. I am not talking about fishermen in general but only a particular group, fishermen who can be identified normally as adventurers or self-employed people in the same way as self-employed machinists or self-employed lawyers. Many fishermen can be easily identified as self-employed.

A problem arose. Some of them earned $20,000 a year, but the bulk only earned a subsistence income. Ways and means were found which, in effect, stated that despite the fact that someone was classed as an employer, for the purpose of drawing unemployment insurance he is an employee. We are trying to be consistent in our approach to universality in the sense that we are trying to extend universality as widely as possible to people who can be identified as being employed, and identify that person's employer. This is not quite true of fishermen who sell their catch to a broker or dealer and, as part of the payment for the catch, ask the dealer to act as an employer for the purpose of providing coverage in stamps. I do not think the fishermen are particularly happy with this arrangement, but it has been traditional. It has been the tradition for 12 or more years. I made it quite clear in the white paper that we intend to continue this practice for the time being.

I do not know if and when an alternative plan satisfactory to the fishermen will be introduced. I have no way of knowing. I have given my assurance, and do so once again, that despite our efforts to reduce the welfare connotation, we are not going to eliminate the fishermen from the plan until we are satisfied that we have an alternative. By the strict definition of the act, they are employers, entrepreneurs, adventurers or whatever you like to call them. Again, my remarks do not refer to normal fishermen, people who work on trawlers and are easily identifiable as working for someone else.

Mr. Barnett: Will the minister permit a question?

The Acting Speaker (Mr. Richard): Order, please. The Chair allowed a question previously without any request to the Minister of Labour. We are not in committee at the present time. I invite the Minister of Labour to indicate whether he wishes to answer more questions at the present time.

Mr. Mackasey: I would prefer not to, Mr. Speaker. There will be an opportunity to discuss this feature in greater detail. At that time, I will be able to be more specific. I will have the facts and figures. As I am not using a text, I hate to be interrupted and then have to start all over.

There are two areas which are very important. I do not think I have emphasized them as much as I should have since the white paper was tabled. I refer to the implementation date of the act. Essentially, the implementation date of the act is January 1, 1972. I doubt whether anyone has a copy of the white paper in front of him. I do not.

Mr. Knowles (Winnipeg North Centre): Would the minister like my copy?

Mr. Perrault: He knows it all by heart.

Mr. Mackasey: No, I do not. As hon. members know, the implementation date is important. We do not want half the people in the country to start thinking that, commencing July 1 they will be eligible for unemployment insurance. The concept of universality comes into existence on January 1, 1972. This is an important point. New entrants will start contributing January 1, 1972, and be eligible for benefits as soon as they acquire the proper attachment to the work force.

What will happen in the interval between July and January? As some of the more learned members of this House know, this is a complex problem. The present rates are established, not in a haphazard manner, but in ranges. Those earning $100 a week are paying $1.40 and those earning $150 a week are paying $1.40. When it comes time to receive benefits, these benefits are calculated on the value of the stamp rather than what was actually earned. Administratively, this is very easy. Everyone with a $1.40 stamp receives $53, plus 10 per cent. In the transitional period between July 1 and January 1, there will have to be some adjustment of the rates for this short period for people earning over $100 but below $150. This means an upward adjustment of a few cents a week, not only to establish the actual salary, but to get ourselves on a sound financial basis. On the other hand, we will have to adjust the rates downward for those people earning $100 a week or less.

Because of administrative reasons, because we are turning over the collection and so forth to the Department of National Revenue and because the tax features only come into effect in January, 1972, any benefits drawn between July and January will be non-taxable. They will be at the new rate. In other words, benefits will be two thirds of the wages. They will not be subject to tax, therefore the contributions will not be tax deductible. I think this is a very fair adjustment during the transitional period which will be a very difficult period for the department.

On January 1, the Department of National Revenue will be seized with the responsibility of collections and keeping the records of contributions. This will eliminate many of the problems which create delays. People with three, four or five years attachment to the work force discover with horror when they come to our office that there is no record of their contributions. This is because they have not assumed their own obligation. They do not keep their record of employment which they receive from their employers. They do not keep these slips. Some may have worked for six different people. We have to help build the record for these employees. This takes weeks. All these delays should be eliminated.

Mr. Douglas: From July 1 to January 1, which eligibility provisions will apply, the present ones or the ones in the new act?

Mr. Mackasey: I will check the white paper to be sure. I am a bit confused. I have asked my parliamentary secretary to check it. I think it is the new provisions. If someone presently in the plan established a claim before July 1, it may be better to re-establish a claim with their new eligibility rather than the old. I think upon reflection I am correct in saying that the new provisions will apply for the present group of people, including the new benefits as well as a slightly revised structure of contributions for the present group of people for the period between July 1 and January 1, 1972.

• (4:30 p.m.)

This is joined to a concept of universality. The only people who may not be in the plan, and be identified as employees, are public servants of the various provinces. At the present time, public servants of the provinces, civil servants, if you like, are in or out depending on the whim of the province concerned. The present act makes their entry optional. In some of the provinces, at least, I shall not specify them, we get all the bad risks in a sense—we get the casual workers or the people who have no permanence. What we are saying now to the provinces in the new law is that there are no more options—either you are in, or you are out. The province then has to face the responsibility and the financial burden of providing some form of remuneration in respect of all employees, including those presently in the plan. In the light of the fact that collectively the provinces will be saving $40 million under the Canada Assistance Plan, it seems inconceivable that any one of them would wish to remain

outside the plan, but as the bill is designed they do have that right.

I have pressed the provinces to say whether they are coming in or not. My communications so far have all been verbal in nature; I am meeting with the ministers of labour on Thursday and Friday hopeful that I shall be able to get firm decisions from some of the provinces on whether or not they intend to include their public servants.

Since the figure of 4 per cent has attracted a good deal of attention, I imagine somebody is going to suggest that the government has determined 4 per cent to be an acceptable rate of unemployment in Canada. Well, it is not my criterion. Like everybody else, I believe the acceptable rate of unemployment is the least possible rate. This is what we should be working toward. This should be our goal as a country. Our system is really on trial if we cannot operate on the basis of lower rates of unemployment than have been traditional, particularly in the light of the fact that the working force is growing at a tremendous rate. We have used the 4 per cent figure because 4 per cent, according to our computer estimates, triggers the government's contribution to the fund at a realistic level. If it were lower, the government's injection would need to be extremely massive, so massive that some form of additional income by way of taxes would be required. Five per cent would practically eliminate the government's contribution. So, we think 4 per cent is a realistic figure.

However, I am sure that when the rate of unemployment is running at 6 per cent the economists who work with the government planning fiscal and monetary policy cannot be immune to the thought that these additional two percentage points mean $200 million of injected capital into the economy, money which must be found somehow. So we have not set the figure of 4 per cent as an indication that the government is regarding it as an acceptable rate of unemployment for the future. The Economic Council suggested 3.8 per cent, and years ago it suggested 3 per cent. However, I am not interested in that debate. The 4 per cent happens to be a convenient point at which the government's injection of money into the plan is triggered. It could easily have been 6 per cent if 6 per cent would in some way provoke the government's participation at a realistic level. But it is interesting to note that over the last decade the rate of unemployment in Canada has hovered between 4 and 5 per cent on an average. This is due, I suppose, to many reasons which we do not wish to debate today—at least, I do not.

I believe I have covered most of the aspects of the plan. I now await the participation of other hon. members and later, perhaps when I close the debate on second reading, I may cover some of the points I have missed. We are bringing in a plan designed to increase benefits, reduce contributions, extend the period of benefit and make the plan much more acceptable. Maternity and sickness will be recognized as legitimate reasons for drawing unemployment insurance. Under certain circumstances, extended benefits will be paid for entirely by the government. The plan will be financed mainly by the employers up to the 4 per cent level of unemployment. When assessing the period during which workers are entitled to benefit we shall take into consideration not only the national rate of unemployment but the rate in the particular area where the worker lives. This can be considered in more detail during the committee stage. Admittedly, the waiting period would be extended to two weeks but, on the other hand, we have for the sake of simplicity got away from using the word "stages". We now refer simply to two phases, regular benefits and extended benefits. Reference to stage one, stage two, stage three and so on, was proving complicated. We speak now of two phases only, regular benefits and extended benefits. I think this is much simpler and hon. members will probably be able to understand the process a little better.

Some hon. Members: Hear, hear!

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I know the entire country has been awaiting an explanation from the minister of this extremely important piece of legislation.

Many people have complained that the type of measure before us today is not concerned with unemployment insurance but, rather, with welfare. The minister has sought to explain that it is not. There are many who believe it to be a means of transferring payments made by people who would perhaps never—I use the word with some hesitation, because one cannot be sure—be in a position to draw benefits under this plan. The position taken by the teachers comes to mind. I know the minister has encountered some difficulty with them, indeed, all Members of Parliament have done so, in consequence of the argument that teachers enjoy security of employment. In this connection, it occurs to me that in the past month or so certain events indicate that the conclusion the teachers have reached in this regard is perhaps without good foundation. We have heard of provinces and local school boards in various parts of the country crying out because of the increased costs of education, and giving every indication that they intend to hold the line.

The minister will no doubt begin telling me how much the provinces and the cities will save as a result of bringing schoolteachers into the scheme. I do not quarrel much with him in this regard since I believe the universality of the program will in the long run benefit the schoolteachers themselves. What concerns me more is that this proposal seems to be an unwarranted intrusion upon the jurisdiction of the provinces in the field of education. I refer particularly to the Province of Ontario. It appears that if and when the legislation before us takes effect, and I am sure we all believe it will, since, after all, there are 155 members of the other side—

Mr. Thomas (Moncton): There are 160.

Mr. Alexander: We are whittling them down. In the near future, on May 31, they hope to bring themselves back to strength.

Mr. Thomas (Moncton): You are right.

Unemployment Insurance Act, 1971

• (4:40 p.m.)

Mr. Alexander: I am engaged in a serious debate. I should like to point out that in the province of Ontario—I can only speak for this province as a result of information received—school boards will be facing, if numbers continue to remain constant until 1975, education costs of $3,319,000 in 1972, $4,917,000 in 1973, $6,639,550 in 1974 and $8,299,230 in 1975. This will reflect a corresponding increase in the level of contributions of employers in the province over that period.

The minister says that, having had several discussions with the provinces, everything now seems to be all right in terms of legislation emanating from the white paper, in view of give and take on both sides. In the long run, he says, we have now satisfied the provinces. I am just wondering whether this is the fact. Is the province of Quebec quite satisfied at this particular time? Similarly, is the province of Ontario quite satisfied? The great cry in Ontario now is "cut education costs". I do not want to be partisan but there are politicians in all parties who want to reduce the cost of education today.

I suggest that with this plan the minister has usurped provincial jurisdiction. Perhaps not intentionally, of course; knowing the charm of the minister, he just would not do that intentionally. Perhaps his officials were unaware of the importance of the problem of education costs. Many people in the province of Ontario and in other provinces too, and I say rightly, are asking how the federal government can do what it proposes to do. The people in the city of Hamilton are not only concerned about the cost of education in the year 1972; they are also concerned about what this cost means by way of increased property taxes. They realize that the system is antiquated, but nevertheless they can see no direct relief in sight.

The province is also concerned because it is attempting to hold the line on education costs. Members of all parties admit this. On the other hand, the minister is now involving himself in a matter about which, I am afraid, we shall have to have more definite answers, Mr. Speaker. Either the provinces know what sort of situation they are getting into or they do not. The minister has stated that the provinces will be glad to join the plan. I see the minister shaking his head. I understood the minister to say to the provinces that by getting into the plan now, and bringing in teachers, the government is going to save them money in the long run because they will not be required to devote any funds to welfare, at least to any great degree.

Mr. Mackasey: Would the hon. gentleman permit me to clarify something that I may have said unintentionally, so that he may continue his speech in the right vein. Whether or not the provinces come in has nothing to do with the school teachers. I do not want to leave the inference that the provinces are satisfied to come in as employers of public servants. The provinces have been satisfied with the changes in this bill. In so far as the department of manpower is concerned, whether the teachers come in or not has nothing to do with the provinces.

[Mr. Thomas (Moncton).]

Mr. Alexander: Mr. Speaker, the minister is only partially correct, but I am sure he realizes that the moment we start increasing school board assessments the provinces become directly involved. This is all I am saying. As a matter of fact, there are some provinces that, because of peculiarities in their legislation, will be able to opt out as far as the teachers are concerned. Although I cannot put my finger on any province right now, one or two provinces hire teachers directly. I think they are New Brunswick and Newfoundland. So, you have the peculiar situation that some provinces that are concerned about rising school board costs would be able to opt out. At the same time, the province of Ontario is paying something like 56 per cent of education costs, and if all goes well is going to increase its participation.

This whole question is so interwoven with the government's unemployment policy and its fiscal and monetary policy that I would be remiss if I did not bring home to the minister several factors that I think he chose to ignore. He kept strictly to his act and said he would not become involved with government fiscal and monetary policy, a policy that has created hardship for a great many Canadians. Now, the minister becomes the shining knight charging into the fray, declaring that the solution is to pay benefits of $100 a week to those who can qualify. The minister is quite right; not everybody will receive the $100 a week, and these payments will not come into effect until January 1, 1972. A man would have to make $150 a week before being entitled to unemployment insurance of $100 a week.

The minister was fair to point out something that the media neglected to mention, I think, namely that the moneys received would be taxable. This is extremely important, and I am glad to have the minister repeat it. I know my hon. friends to my left will have something to say in this regard. Make no mistake about it, Mr. Speaker: we are for the principle of unemployment insurance. When the minister was explaining how interruptions in earnings can be carried further in terms of sickness and maternity benefits, I was surprised that he did not mention our senior citizens in that regard.

Mr. Hales: Yes, he did.

Mr. Alexander: Then, perhaps I was busy with something else at the time instead of paying strict attention to the minister. We recall that the Liberal government set out to curb inflation by creating mass unemployment. They did this by adopting a tight money policy which pushed interest rates sky high, increased taxes, limited the supply of new money, discouraged commercial building in certain provinces, placed severe restraint on federal spending, froze civil service hirings and lowered tariff barriers to force Canadian products to meet stiffer competition from outside.

In my opinion, these measures have not enabled us to win the battle against inflation, though in December 1970 the Prime Minister (Mr. Trudeau) said:

> We have won last year's victory, the one against inflation. It is obvious from the statistics of the past two months that inflation no longer exists in Canada.

When we see that during the first quarter of 1971 inflation has soared upward by 1.2 per cent and unemployment remains uncomfortably high at around 6 per cent, this is quite a victory. The continuing large number of persons who are unemployed during 1971 points to a stagnation of the Canadian economy. The cost of the programs that the government insists on bringing in to revamp the entire social welfare system, whether people like it or not, will have to be met by many of those people who are starting to question government spending. I am just wondering who is going to have nerve enough to stand up and tell the government it must cut its spending and also cut taxes. I am wondering what would happen and how much support one would receive across the country. The outlook for 1971 would appear to be an unemployment rate fluctuating around the 6 per cent mark, a level we in this party find unacceptable, plus a cost of living index which will hit 4 per cent over the year if the present rate of increase continues.

• (4:50 p.m.)

The continuing large number of persons unemployed during 1970 and 1971 has a long-term dimension as well. The extremely rapid growth of the Canadian labour force requires the creation of an immense number of new jobs, about 1.3 to 1.4 million by 1975 to attain the full potential of the Canadian economy. To get this number of new jobs, the Canadian economy will have to grow at a rate in excess of 6 per cent per year. Dr. Haviland, a senior economist with the Economic Council of Canada—I am sure the minister is aware of him—has stated that a growth rate which taps the full potential capacity of the Canadian economy, about 5.25 per cent a year, is needed just to prevent existing unemployment from worsening. Since 1967, the Canadian economy has not been growing toward its full potential.

What I am trying to say is that a higher priority must be placed on the expansion of the economy in order to provide a higher level of employment throughout Canada. Only in this way can we develop a sufficient tax base on which the government will be able to finance the social programs it is attempting to implement at this particular time. We have made suggestions in this regard. We must get the economy moving. We have talked about the 3 per cent surtax and the 11 per cent sales tax on building materials. We have talked at length about the white paper on tax reform. We are pleased to note that as a result of the dogged efforts of the Leader of the Opposition (Mr. Stanfield), the Minister of Finance (Mr. Benson) now has second thoughts about many areas of that white paper on tax reform.

We are all waiting now to find out just what the minister has in mind. We cannot continue having programs suggested by the Minister of Labour (Mr. Mackasey), the Minister of National Health and Welfare (Mr. Munro) and others, which will increase taxes to the average Canadian. I understand the Minister of Finance wants a big chunk of the worker's dollar. I do not know how much we can spend. I wish these ministers would get together in order that we might know the combined total of their requirements. We might then have an attitude as to how much the Canadian people can stand. I have in mind taxation from the municipal level right through all levels of government in all the provinces and the implications of such taxation. I also have in mind taxation on the part of the "big daddy" who perpetually wants to put his grubby hands into my pockets. We, as politicians, are going to have to start taking notice of what is happening.

We must create a climate in which we can have full employment, or employment in the neighbourhood of the level suggested by the Economic Council. What does the Prime Minister (Mr. Trudeau) have to say about this? Let me quote from an article by Richard U. Needham dated April 5, 1971 under the heading "The gospel according to Pierre".

An hon. Member: Oh, come on.

Mr. Alexander: I heard someone laugh, and I do not know what he is laughing about. I hope he is going to get up later on and make his own speech rather than sit there needling me. I should like to know what you have to say, knowing you come from an area which is sufficient in terms of work people. I want to know whether you think it is all right that we should have an extension of unemployment—

Mr. Speaker: Order, please. The hon. member should address the Chair.

Mr. Alexander: I am sorry, Mr. Speaker, I got carried away. Let me return to this article headed "The gospel according to Pierre" of April 5, 1971. I quote from this article in which Mr. Needham states:

> —Pierre Trudeau stated them with exceptional candor at Niagara Falls over the weekend, telling an audience of businessmen that they would have to become accustomed to the idea of large-scale unemployment—"if you want a highly developed technological society, you will not easily get full employment."

And then Mr. Needham goes on to state, and I refer this, through you, to my hon. friend:

> One might comment on this that Japan and West Germany have full employment—over-full employment—in a highly developed technological society. Both these countries have far more jobs standing open than they can fill. One might also ask whether Canada is, or has prospects of becoming, a highly developed technological society; aren't we still by and large, producers of raw and semi-processed materials? But let it slide. What Mr. Trudeau is saying is that we must accept high unemployment rates (right now, one worker in ten) as a necessary part of life.

I was prepared to think that the Prime Minister was attempting, in all seriousness, to say something in depth. Let me again quote from this article:

> Finally, we must note the Prime Minister's suggestion that people should not be compelled to work; they should do so only as, when and if it suits them. He agreed that Ottawa could use young Canadians (rather than West Indians) to get in the harvest; or it could send them to Northern Ontario, where the mines need workers—"We can do this if we are willing to do away with a free society. But if you have a free society, you will have a tendency for unemployment to rise."
>
> The message is clear. Where people are free not to work, free to be supported without working, a rising number must be expected to make use of that freedom. They will constitute a new leisure class, which the rest of us—the minority, it would

seem—must accept; and not only accept, but maintain. Such is the Canadian future, as our Prime Minister sees it. Such are our new values, our new way of life. The prospect may well depress the middle class, the tired and worried people working the treadmill. Keep at it they must, no one's going to support them, they aren't even offered the alternative of the gas chamber.

That is the end of my dissertation on the comments of Mr. Needham.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Speaker: Order, please. Perhaps this might be an appropriate time to interrupt the hon. member. It is my duty, pursuant to Standing Order 40, to inform the House that the question to be raised tonight at the time of adjournment is as follows: The hon. member for Halifax-East Hants (Mr. McCleave)—Veterans' Affairs—Suggested maintenance of Halifax Sailors' Monument by department.

It being five o'clock, the House will now proceed to consideration of private members' business as listed on today's order paper, namely, notices of motions and public bills.

• (5:00 p.m.)

[*Translation*]

PRIVATE MEMBERS' MOTIONS

THE CANADIAN ECONOMY

PROPOSAL FOR GUARANTEED MINIMUM INCOME

Mr. Roland Godin (Portneuf) moved:

That, in the opinion of this House, the government should consider the possibility of passing a law under which every Canadian citizen, who is without work or other source of income, would receive a guaranteed minimum income as a way of recognizing, in a special fashion, the dignity, the value and the economic rights of the human being, in the context of the economic life of the nation, that the amount required for the payment of the guaranteed minimum income be derived from the national product so as to increase neither the taxes on individuals and companies, nor the cost of living, nor the price of any product or service; that this measure could, with advantage, replace the contributions and payments of all the systems of unemployment insurance, social welfare, family and personal allowances, Canada Pensions and Quebec Pensions, that the economic recognition of the guaranteed minimum income would be to the greatest advantage of all the citizens of Canada, and, at the same time, would be of great benefit to all the principal sectors of the national economy.

Mr. Speaker, I wish at the outset to quote statistics to show the importance of the problem we are dealing with.

According to poverty distribution in Canada in 1967, 18.6 per cent of Canadian families and 39 per cent of people without dependents had an income below the poverty level, namely $1,740 in the case of person without dependents and $2,900, $3,480, $4,060 and $4,640 respectively for families of 2, 3, 4 and 5 persons or more.

When considering special classes, more than 500,000 people over 65 years of age have an income below the above-mentioned levels. Moreover, there are about 180,000 disabled people who are in need, between the ages of 18 and 65, and nearly 200,000 mentally retarded youngsters under 18.

There is a total of about 150,000 mothers who bring up alone 330,000 young children and more than a third of those families have an income below the above-mentioned level. Almost 25 per cent of the 3,500,000 families with children under 18 are below the poverty level.

About 30 per cent of the unemployed people have a low annual income which classifies them as poor people. That becomes all the more serious at a time when there are more than 700,000 unemployed.

In face of such a problem, what is the solution offered by this government? The minimum salary was increased, but that does not concern unemployed people. They tried to increase family allowances in favour of the poor. However, that money was taken away from families whose income was in excess of a certain amount and that was done regardless of the taxable income and in making all family allowances taxable. We have seen an increase in the guaranteed income supplement to the old age security pension, but the basic pension has been the subject of no worthwhile change.

In fact, people who receive only this pension will find themselves worse off than before since only the supplement will be escalated.

Then the white paper on tax reform brings this messing round to a climax trough taxation of the income of those able to meet their own needs.

Under such a policy, this government takes away from one in order to give to the other. Accordingly we are witnessing, instead of an integrated income security system beneficial to everybody, an equalization of revenue prejudicial particularly to the middle classes. Considering the solutions resorted to by the governments up to now, one can readily see that no federal government ever dealt with the most important problem, that of garanteed minimum income. This is the solution that we of the Ralliement créditiste have been advocating for a long time, that is a solution which would recognize the dignity, the value and the economic rights of the human being.

Although we are convinced that such a system would be easier to implement under a Créditiste government, we believe however that it could be done under our current outmoded financial system. One fact is obvious: the present income security and welfare system does not work too well. The temporary changes repeatedly made by the government can only lead to chaos with a multiplicity of programs solving no specific problem. Under such circumstances, administration costs and disorders created by various administrations are also multiplied. That is why we are proposing the consolidation of all programs against poverty into a guaranteed minimum income. The guaranteed minimum income we are propos-

ing is not directed against the honest workers now heavily taxed to ensure the livelihood of certain citizens whose only work is to deceive overworked social welfare agencies which are poorly equipped to separate legitimate claims from others.

We advocate the implementation of a minimum guaranteed income plan which would permit the government to set the tax exemptions at the appropriate level, which would permit the individual to keep his dignity, the unaided woman to take care of her child, and each unemployed to maintain his essential standard of living as long as he is jobless. Finally, we are advocating the implementation of a guaranteed minimum income plan which would keep our senior citizens and many other individuals from having to beg to live.

This plan would first fill the gap between the individual's income and the poverty line. It could be improved as our society goes forward. Obviously, the guaranteed minimum income concept is neither new nor original. It seems that most Canadians are in favour of it. All the opposition parties in the House have indicated they were in favour of this policy as well as several government members and some ministers.

Outside the House, other groups have advocated the concept of minimum guaranteed income. Almost all provincial governments have asked the federal government to establish it. Recently, the Castonguay-Nepveu Commission in Quebec has recommended a minimum guaranteed income of $2,000 for each individual, $3,400 for a couple and $405 for each child.

In January 1969, the Canadian Welfare Council stated that a program aimed at providing an adequate guaranteed income for all Canadians should be established as soon as possible. It has been noted that there is no right more important than an adequate income. We must introduce immediately that socio-economic objective in our system of values.

Likewise, the American committee for economic development has supported the setting up of a minimum guaranteed income based on need alone with concrete incentives for those who could work.

Colin Hindle in a study for the National Bureau of Economic Research has noted that a minimum guaranteed income system would be from 30 to 40 per cent more efficient than the present system which is aimed at fighting against poverty through various programs.

The hon. senator Croll, Chairman of the Senate committee on poverty, has been asserting for a long time that we should do away with this system and replace it by the guaranteed minimum income plan.

To these individuals and groups can be added several others, but because the government is opposed to it, we can only rely on grass-roots support.

In November 1970, delegates to the Liberal convention voted 659 to 187, and 117 abstentions, in favour of an income maintenance program to replace the present social security schemes. Furthermore, they asked through a vote of 594 to 250 that such a program be implemented before January 1, 1971 for all those whose income is below the poverty level as established by the Economic Council of Canada.

The Prime Minister (Mr. Trudeau) replied that a guaranteed minimum income plan would be too complex and too expensive to administer.

Since the National Council of the Social Credit Party of Canada gave almost unanimous support to this proposal at its convention two weeks ago, and notwithstanding the right hon. Prime Minister's analysis of this plan, I now wish to seek hon. members' support so that the motion I have introduced be accepted, since it is also the right of the people of Canada.

The implementation of this measure can be considered in several ways. Since this government has many bright minds in its employ, I would let it up to them to take a stand and to select the most efficient way to allow Canadians to have a share in the consumption of goods and services which, for fiscal 1970-71, will exceed $80 billion.

• (5:10 p.m.)

[*English*]

Mr. Maurice Foster (Algoma): The motion before the House this afternoon, as put by the hon. member for Portneuf (Mr. Godin), refers to the desirability of a guaranteed minimum income for all people in this country. The interesting part of this proposal is that he suggests this should be done without increasing taxes, causing inflation, or any change in the cost of goods and services. A few moments ago he referred to the ability of government technicians and people in the civil service, who have all the facilities to study this problem and come up with a solution. I respect the ability of our civil service, and I am sure that they are very capable, but whether they can pull this off and provide a guaranteed minimum income without increasing taxes is a large question.

The hon. member also suggested in the motion that this plan could replace our whole system of social security, including our old age security system and many other plans, including the Canada Pension Plan. Motion No. 31 calls for the establishment of a government program to provide a guaranteed minimum income to every Canadian citizen who is without work or other source of income as a way of recognizing the dignity, the value and the economic rights of the human being, in the context of the economic life of the nation. The motion also indicates that the funds required to finance such a guaranteed minimum income should be derived from the national product in a way which would not increase taxes or the cost of living or the price of goods and services, and that the proposed scheme should replace the wide range of government measures which provide income security payments to individuals and families in Canada.

In speaking on this motion, I would like to talk about the concept of the guaranteed minimum income first, and then say something about the suggested means of financing this proposal, followed by a discussion of the general proposition advanced in this motion that a guaranteed income program could replace certain of the existing income security programs such as the unemployment insurance and the Canada and Quebec pension plans. The

concept of the guaranteed minimum income means that the state ensures that all of its residents are guaranteed a basic minimum income each year below which the income of no person should be permitted to fall. This does not mean that there should be a uniform income floor for everyone, for the concept envisages that the guaranteed minimum should be related somehow to the amount of income needed to purchase a minimum standard of living. Accordingly, the income floor can be varied to take into account differences in family composition and differences in relative need, depending on whether individuals or families are living in a high cost or low cost area and whether they are living in a rural setting or an urban area or a large metropolitan area such as Montreal or Toronto.

The concept of a guaranteed minimum income is a very intriguing concept and has stimulated considerable interest in recent years in Canada, the United States, the United Kingdom and elsewhere. The use of the guaranteed minimum income technique has been advocated by many people in all walks of life, representing both the right and left in our social and economic thought. Some are opposed to social welfare and see the guaranteed minimum income as a better alternative to the present mixture of social security programs, and one which will provide what they consider to be a more realistic system at considerably less cost. I must say that this is the thought being expressed in motion No. 31. However, at the same time, when we were debating back in December the old age security amendments and the amendments to the Guaranteed Income Supplement, it was widely reported by people in the Department of Finance that the guaranteed annual income system, even at the poverty line level established in 1967 by the Economic Council of Canada, would cost an extra $2 billion to be raised out of taxes from the general population. However, others regard the present social security system as inadequate and wish to have income support considerably expanded and extended. Still others see the guaranteed minimum income as a simple, efficient and final solution to providing income support to people in need. Most of us think of this as a new concept.

The concept of the guaranteed minimum income is not a new one. A scheme of guaranteed minimum income was used in England from 1795 to 1834 to subsidize the wages of agricultural workers in that country. The poverty of agricultural workers was serious, and no relief was possible under the Poor laws because they provided relief only to the sick, the disabled, the widowed, the aged and the destitute, but not to workers who were poor. The authorities were very concerned about the stories of violence among the peasants in France during the French revolution and tried to find a remedy. The solution became known as the Speenhamland system. In 1795, a group of magistrates met at Speenhamland in Berkshire and decided to make up the wages of agricultural workers to a subsistence level which depended on the cost of bread. They drew up a scale by which each poor and industrious person should receive enough income support to bring his wages up to three shillings a week for himself and one half of this amount for each other member of his family. This was at a time when the cost of bread was one shilling. As the price of the loaf of bread increased, the guaranteed minimum was increased accordingly.

This system, which became known as the Speenhamland act or system, was adopted by one county after another until it covered most of England except for the extreme north. The system had many unfortunate results. Wages were kept low, employers had little incentive to raise wages when they were being subsidized under the Speenhamland system. All workers, productive and unproductive alike, were treated on the same basis, and there was little incentive to work hard because all received the same wage regardless of work effort. Many people objected to the system because it was said to make workers improvident and lazy. Others contended that the system encouraged large families. The rates were inadequate to support a minimum living standard because they were based on the price of bread and not on total needs of families. These other needs increased relatively faster than the price of bread, and the allowances no longer provided a minimum level of subsistence. Finally, the cost of providing this subsidy became so heavy in the latter part of the period that the allowances were reduced and became less and less adequate in relation to the cost of living. The system was finally abandoned in 1834.

The concept lay dormant for many years. In World War II, a guaranteed minimum income was proposed for England by Lady Rhys-Williams. Her scheme proposed a universal payment or social dividend to everyone in England, provided for recovery of this payment from persons and families in the higher income classes through the income tax system, and suggested that the welfare system as it existed then be replaced by the social dividend.

An approach similar to the scheme proposed by Lady Rhys-Williams was suggested for Canada by a Canadian industrialist, D. B. Smith, in the Canadian Tax Journal in 1965. Under his approach, which he called "a simplified approach to social welfare" he suggested a social dividend payment of $1,000 for every adult over 21 years of age and $200 for every person 21 years of age and under. Smith reasoned that the Canadian welfare system could be rationalized by adopting his approach and eliminating present welfare programs and other income support measures. The cost of the scheme, $12 billion, would be financed by a special 40 per cent tax on personal income, while other government services would be financed by other taxes.

• (5:20 p.m.)

The approach suggested by Lady Rhys-Williams and D. B. Smith is what is known as the social dividend approach to the guaranteed minimum income. Under this approach a payment is made to all persons in the country, which may be differentiated by the age of the recipient or by some other factor, depending on the purpose and function to be served by the scheme. The financing of the costs involved would be carried out using a tax on income. The tax rate could be flat, or there could be

progressive rates and, depending on the purposes of the guaranteed income program, these could apply from the first dollar of income, or from income above a prescribed base. Because payments under this universal approach will be high, a high rate of tax recovery will need to be applied. Normally, this approach envisages the replacement of all other income security schemes. However, this need not happen as such an approach could guarantee a basic income for all, even though other income security programs continued to function.

The social dividend approach integrates the income security system with the income tax system. An example of the social dividend approach is the old age security pension. This pension is paid to all persons satisfying residence rules who are aged 65 and over. The pension benefit is taxable, and is recovered from pensioners liable to pay income tax not at a special rate of tax but at the normal tax rates that apply on taxable income.

The other approach to the guaranteed minimum income is the negative income tax approach. This approach involves the making of cash payments by government to families and individuals whose incomes fall below a prescribed income level. This level could be the level at which a person would be liable to pay income tax, or it could be another level of income which is either arbitrarily determined or calculated because it bears a relationship to the amount of income needed to purchase a minimum standard of living. And as the hon. member for Portneuf mentioned, the Economic Council of Canada set the poverty line at something like $1,740 in their 1967 report.

Benefit payments can be calculated in a number of ways. In the pure negative income tax approach, benefits could be calculated on the basis of the unused tax exemptions and deductions to which the person would be entitled in determining his taxable income. Other variations offer a benefit based on the gap which exists between his actual income and the income level which corresponds to the minimum standard of living. The negative income tax approach normally involves a prior determination of eligibility in order that the benefit may be calculated.

Whatever technique is used, the guaranteed minimum income attempts to provide a person or a family with sufficient income to achieve a minimum standard of living. I suppose this is what is intended when the motion refers to "every Canadian citizen, who is without work or other source of income, would receive a guaranteed minimum income as a way of recognizing, in a special fashion, the dignity, the value and the economic rights of the human being, in the context of the economic life of the nation."

Many of the features of the guaranteed minimum income are excellent, and have advantages over the approaches under existing income security programs. Using this technique, benefits can be directed so as to provide large benefits to persons in the low income categories. Payments can be made on the basis of an income test and this would overcome the social stigma normally associated with welfare payments. Beneficiaries are not forced to undergo the social degradation of having their incomes and assets scrutinized and their way of life examined.

But while the approach has a number of advantages there are also a number of problems and limitations associated with it which cannot be overlooked. One of these factors is the cost of such a scheme. The motion suggests that the plan be put into effect by financing it "from the national product so as to increase neither the taxes on individuals and companies, nor the cost of living, nor the price of any product or service." This would be possible if certain of the existing schemes of income security were abolished and replaced by a guaranteed minimum income, provided the costs of the new guaranteed income scheme did not exceed the costs of the plans which it replaced, either at the time that the transition occurred or in the foreseeable future.

In this circumstance, we would be faced with the question of what type of guaranteed minimum income could be implemented, and of determining how adequate this scheme would be. Consequently one would need to ascertain which programs could be replaced, how much money would be released, and with this budget constraint decide who should be covered by the guaranteed minimum income plan, and what level of benefits could be provided. If minimum incomes can be provided so as to ensure a minimum standard of living within the constraints just mentioned, then and only then could you say that you had met the requirements as set out in the motion for financing such a proposal. However, if coverage is not complete enough and if benefits are not sufficient to provide a basic minimum, then obviously costs will rise, taxes will increase, and quite possibly prices will rise in the future as well.

I contend that a guaranteed minimum income plan cannot replace all of the guaranteed income plans now existing. Consequently, the amount of funds released will not be sufficient to finance a guaranteed minimum income plan which will provide a minimum standard of living. Costs will increase, taxes will rise, and prices will increase in consequence. This brings me to the final point with which I want to deal, the question of replacing other income security and social security measures with a guaranteed minimum income scheme.

One of the important questions is whether the guaranteed minimum income will replace in whole or in part, or supplement the present social security system. The existing social security system has evolved slowly over time in response to emerging social and economic needs. Programs have been designed to provide solutions to underlying social and economic problems, but the extension and scope of plans for development have often been limited by availability of financial resources, and by more urgent and important priorities for other areas of government spending.

The present system is not perfect, but it is a good system which is continually being improved as social and economic conditions change over time. The proposed changes in the White Paper on Income Security with respect to the guaranteed income supplement, the family incomes security plan, the Canada Pension Plan and the

Canada Assistance Plan are examples of such changes. These will go a long way toward improving the social security system now and in the future. The existing structure cannot be slightly tossed aside in favour of a technique which is largely theoretical, and as yet untried in practice except in certain limited areas, unless there is a considerable amount of research and investigation into all aspects of the guaranteed annual income. Furthermore, the existing system provides health and welfare services as well as income support, so that the guaranteed annual income could only replace in whole or in part those programs providing income support.

With respect to possible replacement of existing income maintenance programs it is doubtful whether a guaranteed annual income could replace all income security programs. A program such as unemployment insurance, which we have been debating this afternoon, is designed to provide income for short-term unemployment to all covered members of the labour force regardless of annual income. It replaces temporary wage loss due to unemployment without requiring recipients to have less than some subsistence level of income to qualify.

The Canada Pension Plan and the old age security pension programs have as one of their objectives the provision of income support to aged, disabled and widowed beneficiaries regardless of their other income. Workmen's compensation is designed to provide for income support and health services arising from work-connected accidents or industrial disease. Consequently, the effect of introducing a guaranteed minimum income program on existing programs needs to be examined closely in relation to the social and economic objectives being served by many of the existing social security programs.

• (5:30 p.m.)

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, may I speak for just a few moments in support of the motion of the hon. member for Portneuf (Mr. Godin). Although I am not aware of all the complexities of the guaranteed income plan, which certainly is a complex idea and will need a great deal of further study, I think it is a worth-while idea to put before the House. At the same time I would point out the need of another group of people in this country, a group we all seem to have forgotten. I refer to those who are disadvantaged in Canada. One need only visit the poverty-stricken areas of this country to see how great is the need for guaranteeing a decent income in order to provide these poor people with the means for a basic existence.

Today in this House, Mr. Speaker, we were discussing unemployment insurance. We have legislated recently in respect of the old age security pension and veterans pensions. However, for some reason we have ignored those people who cannot work because of incapacity. There are provincial assistance plans in existence. Neither those nor the Canada Assistance Plan cover the needs of the people to whom I refer. We also have massive housing programs to which the government proudly points. They exist all across the country. We are told that the interest rates are low and that down payments are low. But there are people in this country who cannot afford even these low down payments or any rate of interest however low it may be. They cannot afford any kind of home and are forced to live in hovels that embarrass anyone who has seen them.

These people, Mr. Speaker, cannot invest one copper in an attempt to provide accommodation for themselves. They are the people of this country who cannot move. Some of them do not have legs and some are blind. We continue to expound about the wonderful assistance programs that we are introducing in Canada and all the while we ignore those who most need assistance. I have received many letters from people across the country who are existing on welfare. All they want to do is work and perhaps catch a little fish in order to augment their income, and they are not able to do so because of our system.

We have committees like the Senate Committee on Poverty which went across the country for a couple of years at a cost of $1 million. We have councils like the Canada Welfare Council looking into the problem. The government has given money to various organizations which are involved with the poor and try to show us what is needed to assist the poor. All the time, however, the poor remain poor and nobody here seems to want to do much about it.

Although I agree with the guaranteed income concept which the hon. member has suggested, it might be too early for such a program to be instituted. At the same time, I think we should help the people of this country who need our help. We should help the poor. No matter how one considers the gross national product should be divided, we must help our poor people.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I too am pleased that this motion is before the House because it gives us a chance to discuss the important question of the guaranteed annual income and its relationship to poverty. Sometimes I think that the idea of the guaranteed annual income is an example of misplaced humanity. We may be making a great error in thinking that we can solve all our social problems by instituting a guaranteed annual income. I agree with hon. members who preceded me and I agree particularly with the mover of the motion. I agree with their sentiments and their concern for the poor. In my intervention I shall try to deal with the point: Can we really accomplish the worth-while objectives referred to, through a guaranteed annual income?

Without doubt, those who are old are entitled to their pension. When a person reaches a certain age he ought to be given his pension. There is nothing wrong with our present system that more money would not cure. There is nothing wrong with the idea of an old age pension helping those who are old. What is wrong is that the old age pension is not large enough. Pensions like the old age pension need to be larger. We need to enlarge them instead of talking about systems as if systems alone will

solve anything. You need money to help the old and you must devote certain resources of the country to this end.

In many ways we are short-changing the aged in our society. We debate the form that the assistance should take. They do not care what you call it. They do not care whether you call it a demogrant or a guaranteed annual income. The name does not matter. What counts is the amount of money they get with which to buy medicine and with which to obtain the relaxation to which they are entitled after a lifetime of devotion to their country and paying taxes.

We could do a great deal more through family allowances. It has been my experience that people in this country are poor for one of a number of reasons. One major reason is children. Often people are poor when they have more children than they can support. Others are poor as a result of old age or illness. Surely we can take care of these problems through family allowances and larger old age pensions. We could take care of the problem of children by increasing taxes for some and by recognizing how much it costs to raise children.

In our market system we do not take into account a man's needs. The market system says, "We do not care about your responsibilities. We do not care how many children you have. This job is worth so much, and that is what you will get." The single man without any responsibilities except his girl friend, and the married man with a wife, children and other responsibilities, are paid the same salary for doing the same job.

The family allowance is a transfer of money and recognizes the failure of the market system to take into account the needs of people. The socialist, of course, believes in this sort of thing. He does not talk about paying people more than they are worth. He believes that when people need things and are entitled to those things, they should obtain them as a matter of right because they are human beings and members of society. But that is not what the market system says. We need a way of compensating for the absolute inhumanity of our market system which says that no matter what your needs are, the job pays so much and that is all you will get.

We can do a great deal simply by improving our approach to family allowances. We should do a great deal more for those who are obviously ill and who cannot work. We could do something for them simply by giving them a disability pension and by recognizing that they are not in the labour market. If they cannot work, we should pay them a disability pension of decent dimensions. To some extent we have done this sort of thing with our veterans allowances. I agree that the war veterans allowance is not the most perfect instrument in the world, but at least in giving veterans this allowance our approach to them has been far more worth while than has been our approach to society in general.

I think the time has come for us to treat members of society generally in the way that we have treated veterans under the veterans allowance approach. Veterans are paid an allowance when it is recognized that they are not capable of doing certain work. Sometimes they are partially disabled and we pay them a pension for life. We should let these people go into the labour market and earn more money, if they want to, without taking away their pension in the form of graduated income tax.

There are many advantages to the demogrant system. Under it we can make social value decisions and judgments about all kinds of things which we think are important. We can decide the kind of transfers that ought to take place as between one group and another in order to bring about a society with greater justice than at present. The system has great flexibility. Transfer payments that are made should be made on a universal basis and without the means test.

If the old age pension is paid to a millionaire, we can take back the amount paid by way of income tax. It seems to me that the approach we have adopted to the old age pension is good. The old age pension scheme is probably one of the best schemes ever devised in this country. The remarkable change that has taken place among the older people of Canada is attributable to the old age pension. I think it is the kind of program which ought to be continued. We ought to concentrate on making similar payments under a demogrant system.

I do not believe there should be any payment to those who are capable of working or being in the labour force. I think that such payment would be a total disaster for our society. I want to give Your Honour two reasons for saying that. I am very suspicious of governments which hand out welfare and try to cover up welfare with economic policies that are mad. The economic policies of this country have gone mad. There is no substitute for full employment. That is where our emphasis should be. There should be jobs for those who are capable of working. We should not back off that goal one iota. There should be a program of income supplement for those who are not in the labour force for one reason or another. For those who are capable of working, there should be full employment, training and mobility programs. Unemployment insurance should be available to take care of short-term unemployment or transfers between jobs.

• (5:40 p.m.)

The guaranteed annual income has become a motherhood thing in this society. I became suspicious of it when I discovered that the extreme left and the extreme right agreed on this program. I asked myself if it were possible for the left and the right to agree on the program. Was this program so desirable that it warranted such universal approval?

An hon. Member: Strange bedfellows!

Mr. Saltsman: Strange bedfellows is right. I think it was the extreme right, not the left, that was right. I suspect that the argument for the guaranteed annual income consists of simply shrugging your shoulders and saying we will always have some poor and some misfits. The argument is not to worry about changing or retraining them. The basis of much of our charity is to simply pay them off. As in any kind of production, they argue

that we must expect a certain amount of loss which is to be written off. I refuse to write off any human being.

If a person is capable of being retrained and improving his position, we should concentrate on this instead of putting him on pension. People should receive a pension if they are old or ill: no one argues against that. However, if they are capable of joining the labour force, jobs should be available for them. The situation is something like motherhood. Motherhood can be a great joy and blessing, but it can also be a curse. Excessive motherhood can be an excessive curse.

We have to be careful with all these programs. I might not have said some of these things 20 years ago when we lived in a society which was very much work-oriented. We had a strong Calvinist tradition. That is changing. Our society is not as work-oriented as it once was. To say that we can depend on the work motive to overcome people choosing welfare rather than work is less true today than it was years ago. It is good that it is less true today. In my time we were too work-oriented; we were inclined to say that work was an end in itself rather than a part of life.

The situation is more difficult today. At one time work had some meaning. People took pride and satisfaction in the creativity of work. This is becoming more and more difficult in our modern society when we push buttons or file fenders as they go by on an assembly line. Work is just plain, dogged hard. A person receives little joy or satisfaction from standing in an assembly line eight hours a day working in tune and in time with machinery. The young people today want meaningful work. Who can blame them? They want work in which they can express themselves. While they have the desire for more expression and meaning, work is becoming less and less that way. There are fewer and fewer opportunities for people to develop and express themselves within the context of the factory system.

Another structure is developing in our society of which we must be aware. There are classes in every society, although many people would like to ignore this fact. The traditional class has been the working man against the entrepreneur. There have been classes of religion against religion, race against race, free trader against protectionist and resource industries against manufacturers. We have always had these groups.

We now have another group which is overlaying our whole traditional structure. At the first level of this group are the young, those who are attending school and not yet in the labour market. There are more and more of these people. They are staying in school for longer and longer periods of time. At the other end of the scale are the old. There are also more of them. As we improve our approach to medicine and science there are more opportunities for people to live longer and enjoy life more.

In the middle is the group that has to pay for both ends. That group is becoming relatively small in comparison with the one at the beginning and the one at the end. There is a limit to what this group is prepared to bear in the way of taxation at any given time. This is something that we must face. I wish this group would be willing to pay for anything we want, but there is a constraint. We have been lavishing far more of our resources on the young than the old.

Our old people are getting short-changed. We must do something about this situation. Young people are remaining in school beyond the point of real education or training. They are kept off the labour market because the government has not been able to solve simple economic problems such as providing employment opportunities. They are being kept in cold storage, which is very expensive. They are being kept in school beyond any real necessity for keeping them there. If we had all the resources in the world, and if the question of cost and resources was not involved, we could say "So what" and let them stay there as long as they like. However, if in order to keep them there we let the position of the older people, the poor and the sick deteriorate, we are wrong. The young have many years ahead of them. Those at the other end of the spectrum have only a limited time. To say that we will solve the problem 20 years from now is of no use to them. They are entitled to our consideration and compassion. The old are entitled to a fair distribution of the wealth of our society.

We are faced with a very great problem in the sense that we live in a society that has wealth side by side with indescribable poverty. This is our shame. Something must be done about it. My plea is that if we decide to do something about this situation, we do not go for slogans, fancy language or forms that have appeal but we take a hard and realistic look at the problem. We must develop our resources in order to provide full employment. If not, we will not do very much. We must concentrate on sound economic policies, something which this government has not done for the past few years. Once we have sound economic policies, we must make a value judgment of their importance in order to help the old and sick in our society who are most in need of our compassion.

• (5:50 p.m.)

Mr. Joseph-Philippe Guay (St. Boniface): Mr. Speaker, I should like to begin my remarks on this subject by commenting on certain observations made by the hon. member for Waterloo (Mr. Saltsman). I do not believe it is necessary to go back almost three years, when this government came to power, to demonstrate the concern it has shown for those in receipt of the old age pension and those who have to live on low incomes generally.

Within the last few months the government has brought in legislation pertaining to a guaranteed income supplement. Old age security benefits have been increased, veterans pensions and allowances have been increased and increases in unemployment insurance benefits are, of course, currently under discussion in the House. Changes designed to benefit many people are being undertaken in the family allowance program, and the Senate, through one of its committees, is currently considering this aspect of the subject.

[*Translation*]

However I would like to refer to the remarks made by the hon. member for Portneuf (Mr. Godin). In fact, the

principle of a guaranteed annual income is extremely attractive and has raised considerable interest particularly in Canada and the United States.

Many people from all ranks of society and representing the right as well as the left have advocated a guaranteed annual income plan as a novel means of income support. Some of these people are opposed to social assistance, but they consider the guaranteed annual income a better system than the various social security programs being implemented at the present time. They add that this system would cost less and be more realistic. Such a project has also been advocated by many other people who consider the present system as inadequate and would like a much larger income support to be provided.

Even though the principle of a guaranteed annual income has recently been much publicized, it is not a new idea. Several aspects of a guaranteed income plan are excellent and advantageous compared to the measures now in effect to maintain a certain level of income.

Indeed the system allows for bigger payments to families and people with lower income, and would cost less than some existing social security programs. Certain amounts can be paid subject to a simple means test, which does away with the feeling of shame often associated with welfare benefits.

This method does not require that potential beneficiaries submit to the degrading procedure of a means test, an assessment of their assets, their standard of living, measures provided for by provincial systems which fall partly within the scope of the Canada Assistance Plan. Although those benefits are important, the plan entails certain inconveniences and limitations which must be questioned. Too often, those who advocate the adoption of a guaranteed income know nothing of the obstacles, or, if they are aware of them, they choose to ignore them or minimize their consequences. It might be useful to speak about the problems related to the use of the guaranteed annual income plan as a means of income support.

One of the important questions is to know whether the guaranteed annual income will take totally or partially the place of the present welfare system or if it would be added to it. The present plan was slowly developed so as to meet social and economic needs. Programs were established in order to bring solutions to problems, but their scope was often limited by financial resources and the importance of other budget items.

The present plan is not perfect, but it is a good one and it is improving as social and economic changes take place. It is not possible to give up inconsiderately the present structure for a new and mostly theoretical formula, since it has been tested only in limited areas, without conducting a considerable amount of research and studies on the various aspects of the guaranteed annual income. Furthermore, the existing system provides health and welfare services, while the guaranteed annual income could only replace, in whole or in part, the programs providing financial assistance, and even in such cases, it is not sure that the guaranteed annual income could replace them all.

We find, for instance, that the unemployment insurance plan is designed to provide workers with an income during short unemployment periods, whatever their annual income. Benefits temporarily replace the loss of income caused by unemployment, without requiring that the income of the recipients be lower than the vital minimum.

The Canada pension plan and the social security system have another object, that is to assist the old, the disabled, widows, whatever their income may be.

The workmen's Compensation Board aims at meeting financial and medical needs resulting from accidents or industrial illnesses.

This is why the establishment of a guaranteed annual income system, under existing plans, should be closely considered, keeping in mind the economic and social objectives of the present social security system.

The Acting Speaker (Mr. Richard): Order. The private members' hour having expired, I now leave the chair until eight o'clock.

[*English*]

Perhaps I may be allowed to express my personal regret at losing a good companion and seatmate in the popular and effective former member for Brant.

Some hon. Members: Hear, hear!

The Acting Speaker (Mr. Richard): At the same time, I should like to offer congratulations and best wishes to Jim Brown on his appointment to the bench of the province of Ontario, where I am sure his fairness and good judgment will continue to be of service to the province.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, you speak for all of us.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT, COMMISSION, BENEFITS, PREMIUMS, ADMINISTRATION, ETC.

The House resumed consideration of the motion of Mr. Mackasey that Bill C-229, respecting unemployment insurance in Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to preface my remarks by indicat-

ing how appreciative I am of the attendance of the minister this evening. I do not like to pat him on the back to any great extent—

Mr. Knowles (Winnipeg North Centre): Pat him a little lower down, then.

Mr. Alexander: —but it shows that he, among very few of his colleagues, not only started the debate on this bill but wants to hear the views and submissions, and I think constructive criticisms, of the members of this House.

When I was speaking at five o'clock I was giving the House some indication of the Prime Minister's attitude to working and not working. This leads me to ask what this piece of legislation will do for the people in the Atlantic provinces where presently exists a situation of chronic unemployment due, I contend, to the policy of the government. Its regional expansion program, according to what I have heard in this House, is not the best legislation, nor is its implementation benefiting to any great extent those people in need.

Unemployment figures as at the end of March indicate that in the Atlantic region there were 70,000 people unemployed. This is why I continually emphasize the fact that if the development of this great nation is to go forward, the main priority should be that government policy ensures that as many people as can be absorbed into the labour force are given gainful employment. I cannot help but re-emphasize that in order for us to raise sufficient funds to achieve this objective we must have an adequate tax base.

There are several sections in this bill raising questions of interest and concern and calling for deep consideration, not only by members on this side of the House but by members on the other side. Unemployment insurance programs should maintain a proper balance between providing temporary income maintenance and facilitating reabsorption into productive activity. Therefore, with all due respect to the arguments of the minister, I question whether the reduction of the qualifying period to an eight-week attachment to the labour market is practicable in view of the probable abuses that this will encourage. Further, such a short period of time does not indicate even a strong seasonal attachment to the labour force.

I should like to know why the minister picked on the period of eight weeks. Would not 12 weeks have been more in keeping with creating incentives to enable people to help themselves? The reduction of the qualifying period to eight weeks would be of little assistance even to the growing number of young persons with no experience who are neither eligible for unemployment insurance benefits nor for retraining programs. It is significant that the white paper and the legislation which follows it is silent on this very important matter.

I think we have to create a climate wherein employment is available. Unemployment is not unemployment when it is self-induced, self-inflicted or a matter of choice. I suggest that the eight-week period should receive close examination because I believe there are many people in Canada concerned about this aspect of the legislation. Just imagine, Mr. Speaker, a person becoming eligible for benefit under the Unemployment Insurance Act after a minimum period of eight weeks. As the act now stands, people qualify if they work 32 weeks out of 52, though I stand to be corrected on that. I should like to know why there has been such a big reduction in the period, and I hope the minister will provide an answer. We feel that it is a disincentive, that it will stifle initiative and, most important and lasting, it will encourage people to take the attitude: Why should we work, when the government will look after us? This is an attitude taken, not by the majority of people but by too many of the minority.

We may be able to make some improvement in this particular area. In this regard I should like to draw the attention of the minister to an article that emphasizes very graphically the point I am trying to make. I refer to an article that appeared in the *Globe and Mail* on Thursday, September 24, 1970. I should like to read it in depth because it illustrates the thinking of many people in connection with the new unemployment insurance legislation. The article reads in part:

> The flaws in Mr. Mackasey's proposals are more basic. He appears to have made little effort to separate the seasonal worker, who does not expect year-round employment, from genuine members of the labour force. There are many seasonal workers, who do everything from packing apples to picking tobacco to serving as clerks during the Christmas rush. Many of these people not only do not expect to work full-time, they do not want to. What is more, they can never expect to pay enough into the insurance pot to balance what they will withdraw from it. Therefore they are not insuring themselves against unemployment; they are taking a cheap ride on the backs of those who are.

This is a point that concerns many people and it is why I feel the eight-week period must be examined closely. The article continues:

> • (8:10 p.m.)
>
> Mr. Mackasey proposes far too easy access to benefits, which are already too accessible to seasonal workers. The present plan requires 30 employment weeks in the previous two years to establish eligibility for benefits. The new plan would provide some benefits after eight weeks of work in the previous 52 weeks and full benefits after 20 weeks in the previous 52.
>
> Plainly the need is to separate seasonal jobs from full-time jobs, with only the latter being insured. Income supplements to seasonal workers should be provided as welfare on the usual means test; and those seasonal workers who work only for pin-money would not receive benefits at the expense of the real work force.

That is the bone of contention, whether in fact the eight-week period is consistent with the initiative and desire of a person to become a productive member of the work force. We have to give this question consideration. I was impressed when the minister indicated that he would like higher benefits to be paid at this particular time. He then became concerned with the administrative hang-up and was not able to bring himself to accepting a suggestion the opposition has continually made. Because of the gravity of the situation we have suggested that these people should be collecting more money at this time. In view of the unemployment induced by the government, it is amazing that the minister could not see his way clear to do this now instead of waiting until some time in July.

I remind the minister of the gravity of this situation by stating that at the end of January, 1971, there were 844,000 claimants, some 26 per cent more than the 672,000 registered for benefits a month earlier, and 28 per cent more than the January 30, 1970, total of 659,000. We are talking about a significant number and saying there is no technical or legal reason why increased rates should be withheld until some time in July, 1971. I hope that when the minister replies, after listening to several speeches, he will give us a better reason than he has given so far as to why he cannot implement the suggestions we have made, thus alleviating some of the pain, suffering and hardship of those who are confronted by unemployment.

We have argued for an acceleration of the implementation of the new rates, and continue to do so. The government has admitted responsibility in the area of cyclical unemployment, and since the new act suggests that the government assume the costs of financing when the unemployment rate exceeds 4 per cent, it is reasonable that the government should accelerate its program to respond to the present employment crisis. The urgency of the unemployment situation in terms of numbers and the present inadequate level of benefits, keeping in mind the recent cost of living index, suggests that moral considerations at present far outweigh bureaucratic ease of implementation some time in July.

There are other matters in this bill and I will touch on a few of them. My colleagues in this part of the House will elaborate and perhaps bring home several points which because of time I will not pursue. I should like greater elaboration in respect of the self-employed. As far as I am aware, no argumentation is made by the minister for this categorical exclusion. Since the proposals of the white paper are designed to broaden coverage rather than restrict it, a better explanation from the minister is required.

Of course, there are difficulties to be encountered in the inclusion of the self-employed. However, it would be sheer intellectual and moral laziness by the government to exclude the self-employed rather than attempt to surmount these difficulties. Unemployment insurance is basically a plan of income maintenance. Consistent with the philosophy of the Carter report and the tenor of the white paper on tax reform, which call for taxation from all sources, the white paper on unemployment insurance and the ensuing legislation with which we are now dealing should be concerned with the maintenance of income from all sources. Here we get a picture of universality once again.

However, the insurance principle militates against the inclusion of self-employed persons per se because no effective regulations have been established to screen those who have voluntarily severed self-employment. In many situations the integrity of the fund demands the exclusion of the self-employed where checks against fraud are totally lacking. Nevertheless, it is my respectful submission that the government should make a serious attempt to develop regulations for inclusion in the legislation so that the insurance principle will not be endangered and the principle of income maintenance can be properly extended. Also, they must be more precise in that endeavour. The Canadian economy is far more interdependent than the government seems to imagine. For many individuals, the semantics and characterization of self-employed are extremely misleading. By far the majority of those who are today called self-employed, whose annual income is derived from a form of self-employment but whose self-employment clearly depends upon a third person, could easily be incorporated into the act with the aforementioned considerations in mind. These are the "franchisees."

I was very impressed when the minister first started to deal with this bill. The hon. member for Winnipeg North Centre (Mr. Knowles) posed a question to the minister. The subject was of vital concern and I thought the minister would see his way clear to explain the situation. He indicated it was a marvellous suggestion but not one he had heard just recently. He indicated it was being considered and that he hoped to delve into the matter and come up with some answers.

Let me indicate to the minister through you, Mr. Speaker, that "franchisees" would include taxi drivers, gas station operators, chain food and entertainment operators, life insurance salesmen, door-to-door salesmen, farmers under supply management, etc. The franchise factor would be quickly ascertainable by the commission, allowing it to determine whether the applicant had lost his franchise or had surrendered it; whether he has been laid off or had quit. I think this is probably what bothers the minister, although I know he is always concerned about constructive criticism. I hope he has second thoughts, because we intend to talk about universality. The suggestion is that 96 per cent are covered, which means that 4 per cent are not. A reasonable suggestion is that this 4 per cent represents the self-employed or the "franchisees" who are deserving of more consideration than the minister and bureaucrats have given them.

I should like to touch upon another controversial issue, the experience rating factor. This is a highly controversial and ill-advised proposal of the new act, at least as far as I am concerned. The proposal is to institute experience, or what is more commonly called merit rating, whereby adjustment of employers' contributions may be applied according to their record of lay-offs. The government has made no final decision on the proposed formula for determining merit rating to establish contributions by employers. The Commons committee suggested it be judged in accordance with the industry involved. Whatever the formula, Mr. Speaker, I respectfully state that I will not accept in any way, shape or form the proposal of experience or merit rating, whatever the term may be.

The arguments presented by the white paper is really attractive rhetoric. We have heard many comments on this question both pro and con. There was some merit in the arguments of those who were against this type of proposal. The white paper suggests that the introduction of experience rating will more properly allocate the cost to employers according to their lay-off pattern as well as serving as an incentive to create more stable employment patterns. No one is quarrelling with such motives. How-

ever, I should like to re-emphasize what is said by the Gill report as well as by many economists and representatives of both employees and employers. They state that this type of involvement requested by the minister is an ineffective and counter-productive tool to accomplish the aspiration of stable employment pattern. I think it is necessary to refer to the Gill report and place some of the thinking expressed there on the record. The minister and I had a little discussion about this matter and he said, "This report is not quite appropriate in 1971." For the life of me I cannot see why it is not. I should like to refer to a few passages in the Gill report:

• (8:20 p.m.)

It will, we think, suffice for present purposes to indicate, as follows, the main reasons why we do not recommend the adoption of a system of merit rating.

We favour a system of broad pooling of risk and this is the foundation of our recommendations for universal coverage. We believe that the frictional unemployment that can properly be taken care of by a plan of unemployment insurance is a more or less normal phenomenon of a free economic system, but it emerges strongly in certain industries and occupations in the system and scarcely at all in others. This variation is not, however, the result of particular management decisions. It is, instead, a function beyond the control of the employers concerned.

The report states, further, that merit rating would have the result of raising the contribution rates for some of the basic industries that play an important part in Canadian export trade and that this would put them at a competitive disadvantage in international markets.

Also in the report we find this sentence:

We have not observed any decisive evidence to substantiate the claim that the operation of a merit rating system would have any significant effect in reducing unemployment.

That is a very significant and important phrase. I do not know whether it has been ignored by the minister and his department. The report continues:

There is some evidence to suggest that the existence of merit rating encourages undesirable practices on the part of some employers. They may tend to oppose claims merely for the sake of improving their position with respect to merit rating. They may oppose socially desirable extensions of the unemployment insurance scheme for the same reasons, and they may indulge in practices relating to hiring and firing of employees designed to minimize the effect on the unemployment insurance plan.

The Canadian Labour Congress opposes merit rating because of this danger. In the United States, where merit rating still largely persists, General Motors employs a team of lawyers who automatically challenge every applicant for unemployment insurance benefits. Other criticisms have been raised. The merit rating system has regional and structural bias. Government officials insist that industry by industry merit rating is administratively and politically impossible. However, juxtaposing all firms against an average national lay-off rate would heavily favour mature, central Canadian business and industrial structures and would actively harm growth and depressed areas.

Growth industries have higher lay-off rates simply because of their dynamism. Many stagnant industries have low lay-off rates and would be rewarded even though they often require, according to government policy, swift, efficient out-mobility. The textile industry, for example, could be penalized for rationalizing even though that is the intent of other government policies and accounted for by special manpower programs. Generally, merit rating would encourage rigidities which government policies and the Canadian economy cannot afford.

Merit rating may bias hiring practices. The incentive, if it worked, could bring direct hardship to the very people it aims to assist—working people in search of permanent employment. Since students and casuals are excluded from the merit rating, industries with fairly flexible work patterns might be encouraged to lower the quasi-permanent or permanent component of their work force and opt for a higher percentage of student and casuals for merit rating considerations. Although government officials have not seen such a possibility, it was accepted as possible while quite extraneous to the intent of the new act. Clearly, it is unacceptable to improve the employment problem of students and casuals at the direct expense of the regular work force. The risk should not be taken.

While the private sector must be more involved in the amelioration of frictional unemployment, the experience rating proposals should be rejected. More creative and informed government action is required in this regard. I would suggest the following proposal to significantly assist the Department of Manpower in finding work for the frictionally unemployed. Manpower is presently hindered from making a full contribution primarily because very few employers provide advance notice of lay-offs, commonly called manpower's low penetration rate. It is significant to point out, also, that the provinces are moving in the area of frictional unemployment with legislation to provide notice of lay-offs to employees in order that they can take early steps to reduce the injury of frictional unemployment. Ontario has such a bill and, as a matter of fact, so has the federal government. The federal bill I believe is Bill C-228.

However, I should like to emphasize that on constitutional grounds federal notice of lay-off legislation will be irrelevant to the majority of the work force. I conclude in respect of the experience rating, or the merit rating as the case may be, by stating that this is a move away from the principle of universality. It is a penalty placed on the employer who accepts willingly or unwillingly the high risk enterprise and it constitutes an administrative nightmare which cannot have a helpful effect on the employment situation.

We urge the government to include a penalty, by way of unemployment insurance contribution rates, for employers who do not simultaneously notify the Department of Manpower when they notify their employees according to the provincial notice of lay-off legislation. The federal government should insist that Manpower receives the same courtesy as employees in each province.

We have heard a lot from the minister about administrative costs. This has bothered many people. I heard the minister say that he picked out a figure of 4 per cent

whereafter the federal government would become involved. He said he could have picked 5 per cent or 6 per cent. I would like to know why he chose 4 per cent, because notwithstanding what the minister indicated I believe it can be related to policy. I knew the minister would smile when I said this because he pre-empted me by saying he knew what I would say. However, I still say it. I say that so long as the minister thinks we can get away with 4 per cent, it would seem to be quite logical—he gave some indication of the government's fiscal and monetary policy earlier—that the government does not necessarily take a very active interest in what has happened.

This is why I would like further information on the figure of 4 per cent. Here we are faced with 6 per cent and I do not think we will get away from that area in the near future. Perhaps the government can justify, through the minister, in more detail the implications and requirements and why 4 per cent was chosen. I believe one must consider the fact that the government, through its fiscal and monetary policies, has brought upon this nation unemployment to an unprecedented degree.

Mr. Bell: Deliberately.

Mr. Alexander: Yes, deliberately. When I think of that, it would seem more obvious that we should have an explanation from the minister. There is one thing I should state in respect of administrative costs. The Gill report also had something to say about this question. I notice the minister is looking at his watch. I think I have time to deal with this matter and I would appreciate it if the minister would stay and hear me.

Mr. Mackasey: On a point of order, Mr. Speaker, I was looking at my watch because I have to take a pill.

Mr. Alexander: Mr. Speaker, the Gill report was very emphatic in this regard. It recognized the dangerous conflict between proper administration and high benefit costs and proposed a plan of extended benefits to be financed by the state at the time of high employment in part to regularize the burden of the fund. However, it concluded that the federal government should continue to cover administrative costs nevertheless. The Gill report's arguments have been neither accepted nor rejected by the legislation with which we are now dealing. The report states:

• (8:30 p.m.)

It is in the national interest ... that unemployment insurance be administered in such a way that it is fair to all and that abuses be kept to a minimum. The responsibility for seeing to it that the established rules are adhered to is one that is linked to the responsibility for applying the compulsion that makes all employees members of the plan ... Further, the administrative machinery should be designed in such a way as to make available as much information ... as will be useful in the carrying out of a national employment and manpower program. For all these reasons, we recommend the continuation of the present practice whereby administrative expenses are met by the government from its general revenues rather than by the insurance fund.

This is from Mr. Gill, the acknowledged expert in this matter whom the minister has chosen either to ignore or on whose opinion he places little emphasis. Let me go on to another very tricky area which is also very controversial—the first benefit period. The new act suggests that first benefits be paid after a two-week waiting period at which time a three-week payment may be made. At whose discretion will the payment be made? Will it be by way of ministerial prerogative? I do not think anything in the act qualifies "may" or explains it.

The rationale of the government for this structure is twofold. They claim it is designed to provide an incentive to find work. How in heaven's name can you say that when you give a man $300, which is the maximum benefit he can receive, it can be called an incentive to work? The Minister may have an answer but I doubt very much that he can convince this House. He may be able to convince the government, but I think it will take much of the minister's verbal gymnastics to convince me that when you pay a man $300 this is not a disincentive. I do not see how it can be anything else. It is also stated, as the other portion of the rationale, that it reduces the administrative costs normally incurred as soon as the person enters the regular benefit stream.

In the committee analysis of the white paper, let it be known now that we in this party rejected this proposal and still do. The act now has a one-week waiting period and the first cheque is for only one week of benefits. The three-week advance in inequitable because it is made no matter whether work is obtained one day after the benefit payment, in which case it would be a bonus, or three weeks after. Since the bonus factor could amount to as much as $100 a week, it is probably better to maintain the higher administrative costs in the interests of equity and the preservation of man's initiative to become a member of the work stream.

The legislation presents no evidence or argumentation that this structure would in fact provide an incentive to find work. It is an experiment which I believe this country can ill afford to accept. On the contrary, it appears to provide an incentive to wait for two weeks before seeking employment in order to obtain the three-week benefit. How you can read into this portion of the legislation any other rational conclusion is beyond me. Accordingly, we in this party will be emphasizing that this factor can be looked upon as a disincentive, stifling personal initiative, which should not be the object of unemployment insurance legislation.

The minister mentioned sickness and pregnancy benefits. It took me some time to appreciate that this was an extension of interruption of earnings. It was difficult for me to figure out how it could be called that, but I am prepared to accept it, particularly because of the anomaly which exists with respect to a person who is unemployed, then becomes sick and can receive unemployment insurance, whereas those who are sick initially cannot benefit from the unemployment insurance scheme. The scheme includes women, of course, who are part of the work force to an increasing degree. This is a problem we must face; I hope that one of my colleagues will have more to say on this subject, particularly with respect to sickness and pregnancy benefits, because it is wide open to potential abuse. I think that in this area we must be extremely

careful. We must try to improve this act. I hope the minister will understand that I am not being facetious or partisan when I say that I hope, because of the newness and earth-shaking implications of this legislation, the minister will consider safeguards to possible abuses.

We say that the proposal has merit in maintaining the integrity of the unemployment insurance plan. The Canadian Labour Congress and government officials suggest that assistance in this area is practical for the fund because present disqualification clauses cannot stop fraud and invite health hazards to pregnant women. Some women remain at work until the last moment, with possible detrimental effects to their health and productivity. Some women are in collusion with their employers to be fired or laid off in order to be eligible for benefits which they would otherwise not receive.

Who will determine who is sick? Will it be determined by doctor's certificate? When will he have to supply this information? These are the type of questions that make the average taxpayer extremely concerned when he sees people taking advantage of a system. Because of lack of proper investigation we might not prevent even minimum abuses. Teachers may have more interest in the pregnancy section when they start to rationalize their inclusion. But it should not be considered that this is an effective welfare plan for pregnant women for two reasons. First, the burden of support rests with only two sectors of the tax base—employers and employees. Second, it is inequitable as a welfare scheme because it gives benefits, not according to need but according to previous income, and it only provides benefits for working women.

I should like the minister to answer this question regarding the family unit: Should we not consider that a woman whose husband is making $15,000 is in a position to have, through her husband, the required treatment out of their joint income I think this is extremely important. The maternity benefit plan should be considered as temporary income maintenance in light of its removal of the human and institutional damage caused by cheating. However, the act's proposal should be integrated with broader aspects of social welfare policy regarding the needs of all pregnant women. Perhaps the Minister of National Health and Welfare (Mr. Munro) will be interested in this question, because we should not deceive these people. If we are going to look into the entire needs of women we should use a fine-tooth comb.

• (8:40 p.m.)

In closing I would like to touch on another area which gives me some concern. I refer to our senior citizens. It is hard to pick the proper word. I do not want to say that the government has shown unconcern for our senior citizens, but it has certainly adopted some unrealistic approaches to them. This makes me a little worried. However, in all fairness I have to admit that we are now talking about retirement benefits. This was a very touchy topic during the committee meetings. In this regard I quote from issue No. 9 of the committee proceedings, page 9:28, as follows:

5. Unemployment benefits for interruption of earnings due to retirement.

[Mr. Alexander.]

The case for the provision of unemployment insurance benefits for interruption of earnings due to retirement presents certain difficulties. Indeed, a number of witnesses fully in support of UIC benefits in the case of interruption of earnings by sickness or pregnancy expressed opposition to the provision of the proposed retirement benefits.

While in the main concern in the matter of sickness and pregnancy included interruption of earnings benefits related to a discussion of the type of program and vehicle appropriate for such benefits, the very existence of a valid contingency at the time of retirement was denied by several witnesses and briefs. It was maintained that if a need exists—

This is what is important just as the committee recommended.

It was maintained that if a need exists in the transition from work to retirement, it cannot be said to constitute an interruption of earnings.

A number of witnesses also drew attention to the fact that by accepting Canada Pension Plan or Quebec Pension Plan, an early retired person would have access to $720—while if he did not retire, he would receive as much as $5,000 in the first year.

There is another matter which I would bring to the attention of the House, Mr. Speaker. This was contained in a submission by the Canadian Fertilizer Association—and I do not stress so much the name of the association as the content of its submission. At page 9:62 there appears the following:

While it may not be desirable to provide retiring workers with a nominal lump sum payment in lieu of benefits, the proposed five weeks lump sum payment—

There was an error there: it should have read "three weeks."

—could easily be abused and apply an unnecessary burden on the unemployment insurance fund. It would, we suggest, quickly become normal practice on retirement to forgo application for Canada pension and old age security benefits for a time to take advantage of the proposed five weeks lump sum handout.

Again, Mr. Speaker, it should have read "three weeks lump sum handout." The problem I am faced with in respect of the lump sum payment in the initial instance, after a person has a 20-week involvement with the work force, is that it becomes almost possible to accept a further lump sum payment even though this may affect our senior citizens. I want the minister to convince me that what he is doing is right, because it is not my intention to quietly sit here and not see our senior citizens, those on the verge of retirement, get what they deserve after spending considerable time in the work force.

Why are they getting a lump sum? Is this a gift? Is it to tide them over a certain period? If they are on the verge of becoming involved with the Canada Pension Plan, they may be about to retire and may have money coming in from another pension scheme. I would like the minister to explain this to me so there will be no misunderstanding about what the government is attempting to do. In the first instance, as I said, it seems the government is attempting to create a group that will get the three-week payment. Now there is to be another group with a three-week payment. I suggest these are bonus payments. Even the first case is questionable, but we must have conclusive evidence with respect to the

second. We must know why the minister believes it is necessary that people who are about to leave the work force and get a pension, be it the Canada pension or the Quebec pension, should get this $300.

There are many other points that I could raise with respect to this legislation, Mr. Speaker. I know that a number of my colleagues wish to raise certain matters which they believe the government should be interested in and upon which it should be prepared to act.

I hope that through the minister's efforts, those who are in need right now will be permitted to acquire benefits under the new scale. We all know that the maximum now, $53 or $58—I forget which—is totally inadequate in view of rising costs and the frustrations that accompany the provision of non-deferrables such as clothing, mortgage payments, food and medicine. I hope the minister will show consideration in this area. His reputation would be greatly enhanced if our suggestions were put into effect.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, among my souvenirs I have a number of items that came to me from the files of my predecessor, the late J. S. Woodsworth. One of them is a leather-bound copy of one of the first unemployment insurance books which was given to him, along with a letter from Hon. Norman McLarty, who was Minister of Labour at the time, in recognition of the part Mr. Woodsworth had played over a number of years in urging the adoption of unemployment insurance. I mention that, Sir, so that our credentials in this area will be established. We have long been advocates and supporters of the principle of unemployment insurance.

Our understanding of unemployment insurance, so far as its essence is concerned, is that it is an arrangement under which those whose income comes from employment pay into a fund, so that if they are out of income there is something they will receive that is theirs as a matter of right. One of the critical requirements is that there be no means test on such benefits, no looking at what other members of the family may have. Rather, it is an arrangement under which workers have their income protected when that income is interrupted because of loss of employment.

Even though we have long been advocates and supporters of unemployment insurance, it is our strong contention, as was suggested this afternoon in another debate by my colleague from Waterloo (Mr. Saltsman), that the main aim of any government should not be just to come up with a perfect unemployment insurance plan but to come up with policies that provide for full employment. We recognize that in the course of history this has seldom been with us for any extended period of time, and so we assert that we must have a program of unemployment insurance. But, Mr. Speaker, we urge the government not to use such a program as an excuse for policies that lead to unemployment.

• (8:50 p.m.)

Having mentioned one or two items of history, and bearing in mind some of the remarks of the hon. gentleman who just resumed his seat, may I mention that in 1940 the British North America Act was amended. There was written into it, in section 91, authority for the federal Parliament to pass legislation with respect to unemployment insurance. I press the point that workers who happen to come under provincial labour jurisdiction are not out of bounds so far as federal unemployment insurance is concerned. Indeed, I suggest that no workers are out of bounds so far as unemployment insurance is concerned, because authority for such legislation is contained in our Constitution, the British North America Act.

There are a great many details in this legislation and it is only natural that the place where we shall go into those details and try to bring about changes—indeed, a number of changes are still desirable—will be the standing committee to which this bill is to be referred. Therefore, those of us who speak on second reading do not feel obligated to cover all points. There are a few points, however, that I should like to mention at this stage of the debate. The pattern of my remarks is one that I have followed quite often. To begin with, I shall indicate a number of things in this new bill that are good and that we warmly welcome. While I am discussing those points the minister's face will be as bright as his shirt and he will enjoy what I have to say. But then we shall come to the other side of the coin, to the three or four things in the bill that we find not satisfactory.

An hon. Member: Then his face will be as black as his suit.

Mr. Knowles (Winnipeg North Centre): I thought the minister was about to say that he would have to change his shirt at that point, but there is no provision in our rules for that being done in the House of Commons.

May I refer to some of the reasons for our welcoming this bill. I indicate, first, our pleasure that the scale of benefits that may be paid under this legislation represents a considerable increase over the benefits now payable under the Unemployment Insurance Act. At present the maximum is $53 a week, plus the 10 per cent "Benson bonus" that was provided a short while ago. That was about the only time that that man ever provided for a bonus.

Once the new legislation is in full effect, a maximum payment of $100 a week will be possible for those whose normal wage is $150 a week or $7,800 a year. Not only are there these higher benefits which are based on the proposition that benefits shall be 66⅔ per cent of the wages that a person has been earning, but there is also provision—I think the minister referred to this matter this afternoon—for those benefits to escalate to 75 per cent if a person's period of unemployment continues beyond a certain length of time and if that happens at a time when there is a high level of unemployment in the country.

You will not hear any remarks from me to the effect that those benefits are disincentives, or anything like that. For far too long we have been concerned about what happens to people whose earnings are interrupted

because of lack of employment, and we will not indulge in that kind of approach. We welcome the higher benefits that will be paid under the new unemployment insurance legislation. They will not be benefits at a level at which one can merely keep body and soul together; they will be benefits that will bear some relation to a person's wages, that will enable people who are out of work to keep in the swim, to keep up their hopes and to keep up their morale.

A second feature that we like is the wider coverage that is provided under the bill. This coverage is wider and more extensive in two main respects. On the one hand it brings within its scope a number of employed persons who for many years have been exempt from the provisions of the Unemployment Insurance Act. I think that perhaps it was a mistake that they were ever exempted. I think, since we were introducing unemployment insurance that was to cover people who made their living from employment, that all these people should have been included from the start. If they had been, many heartaches might not have been experienced and we would not have, heard the kind of arguments that we have had to deal with lately.

Not only does this bill widen the coverage in that it seeks to take in all those who are employed, but it abolishes the ceiling that exists under the present act. As the minister said this afternoon, when the legislation was first introduced 30 years ago, that ceiling was $2,000 a year. At present it is $7,800 a year, but even that ceiling is being abolished. As I understand it, workers will pay unemployment insurance premiums on their income, but only up to the ceiling of $7,800 a year. If employed persons earn more than $7,800 a year, they will not go off the unemployment insurance rolls but will continue paying premiums at the $7,800 a year level. As a result their benefits will be geared to that figure. We think this is good. We approve this wider coverage and this approach to universality. I shall say something more about that when I speak about the other side of the coin, about those parts of the minister's bill that contain shortcomings.

The third thing we welcome in this legislation is the inclusion of coverage for loss of income due to a person's being off work as a result of sickness or pregnancy. When the legislation was first brought in many years ago there was no provision for unemployment insurance to be continued in the case of a person who lost his job, qualified for benefits, began drawing them and then took sick. That injustice some of us in this House railed against for many years. It was finally corrected and I am glad that we are now going a step further and saying that when workers cannot receive their normal income because they are sick or pregnant, they shall be covered by this legislation.

Some people have said that with this kind of provision perhaps the name of the legislation ought to be changed. What is in a name? Some suggest that a change in name might make the bill a little better. At any rate, let us agree that we are concerned not only about whether people are at work or not, but whether workers have an income. If workers who depend for life itself on employment and on the income from that employment suffer a cessation in that income, there ought to be legislation to cover them. We are glad that the sickness and pregnancy provisions are included in this legislation.

• (9:00 p.m.)

I make the comment, in light of something that was said a few minutes ago, that I think we should accept the principle advocated in the report of the Royal Commission on the Status of Women, namely, that women stand on their own feet. We have to move more and more in that direction. I do not think there should be a means test on unemployment insurance. I do not think that a pregnant woman seeking a benefit, one who is off work because of pregnancy, should be asked any questions about the income of other members of her family. Once we get into the business of means testing we destroy the basic principle of unemployment insurance.

The fourth element in this legislation that we welcome is the provision for shorter periods in order to qualify for unemployment insurance benefit. Some people think the periods have been made too short, that it will make it awfully easy to obtain benefits, and so on. The possibility of obtaining employment is becoming more and more beyond the control of the individual. Whether or not employment is available is a social fact. It is something about which government policy has a great deal to do. As long as people can establish genuine attachment to the labour market, they should get the benefit of this legislation. As a matter of fact, I suggest that we might have to go further.

There are times when people such as teachers—and in this respect I take their side—undergo several years of training to become qualified and then find there is no job available. They are just as much attached to the labour market as the worker who has had eight weeks unskilled labour in a factory. I am glad to see the Minister of Labour (Mr. Mackasey) nodding his head. He agrees that in some cases we will have to find a way to provide these benefits for those who have worked for fewer than eight weeks. What the government is doing through this legislation is recognizing the right to coverage, provided a genuine attachment to the labour force has been established. I believe I have said enough that is good about this bill to bring a smile to the face of the minister. I would not want him to think—

Mr. Mackasey: Lower contributions.

Mr. Knowles (Winnipeg North Centre): The minister wants me to refer to the lower contributions. That is good. Is there anything else that I have missed?

Mr. Francis: You are doing very well.

Mr. Knowles (Winnipeg North Centre): I hope the minister, who is adding to my list of favourable items, will be ready to add to my other list. He probably has one or two he will mention.

The first point I want to make with regard to shortcomings in the legislation is in connection with the wait-

ing period. I know the argument. I heard it in committee and the minister gave it again this afternoon. It is really the old trade-off argument which we get from this government. The minister said we could have a shorter waiting period but it would cost so much we would not be able to provide certain other benefits.

The workers of this country have been studying this bill. They are not unsympathetic toward it. They regard it as their legislation and they take a certain amount of pride in it. One of the things that worries them is this longer waiting period. It gets a bit confused. Although there was not supposed to have been a waiting period for the last while, there really had been a week. Now there is to be a two-week waiting period. As I work it out, there will be three weeks. During this period people will have to wait before they can collect unemployment insurance benefit.

The previous speaker was concerned that once people have established a benefit period they can pick up the benefit for three weeks. He was concerned about that being a disincentive. I think it is the other way around. A person who is genuinely attached to the labour force—and he has to be that to get the benefit—after a couple of weeks receives pay for three weeks. He is told that if he can get a job before his three-week period expires, he will be that much money ahead. That is what he will do. Far from being a disincentive, it is an incentive to people to get back into the labour market.

Apart from that, I am afraid that this period of having to wait before there is any income from the Unemployment Insurance Commission, income that is the right of the workers, is something we will have to tackle all over again. We tackled it very thoroughly when the committee was studying the white paper. The minister, his officials and others were very persuasive. They used the cost argument, the trade-off argument, and so on. This is one instance where we are having a bit of participatory democracy. We did not get it with regard to the old age security legislation. In this case the workers and trade union bodies have been seeing it. I say to the minister that this point is of very real concern. I hope that when we get into committee we will be able to shorten the waiting period rather than lengthening it.

The second matter about which there is great concern among trade union bodies and workers generally is the whole question about the definition of earnings, particularly the earnings that a person might have in a waiting period or during a period when one is receiving unemployment insurance benefits. This is one of those cases where the definition is not in the legislation. The definition of earnings will be left to regulation, but it will be very important that the definition be such that people will not be given something with one hand only to find that it has been taken away with the other. The minister is a member of a government that is very good at that. This was done to the old age pensioners on the guaranteed income supplement, and to recipients of war veterans allowances. I hope there will be a different kettle of fish in this instance and the minister will not do the same as his colleagues have done.

Speaking of fish, I might say in passing that one of the angles of this bill that is causing concern is the position of fishermen under it. But I do not intend to go into that question: my colleague, the hon. member for Comox-Alberni (Mr. Barnett), promised the minister this afternoon by implication that he would go into it very thoroughly. The point that my colleague and others wish to make is quite sound. It is fine to have the minister's promise that fishermen will continue to be covered under this legislation until one of his colleagues introduces something else that is satisfactory. However, it is very difficult to know in advance whether that something else will be satisfactory.

I move on to another point which is perhaps one of the most crucial with regard to this legislation. I refer to this business of setting a threshold at 4 per cent. I suppose this is an area in which we can engage in debate, use of words, semantics, and so on. We can do this on both sides. But it seems to me the minister and the government are not going to get away with their insistence that writing this 4 per cent figure into the bill will not sanctify a level of unemployment at 4 per cent. I can see this coming just as sure as anything. As long as the level of unemployment does not exceed 4 per cent, hon. gentlemen on the other side will say, "This is full employment."

• (9:10 p.m.)

The minister said this afternoon that he was proud of this legislation because when the level of unemployment rose above 4 per cent it triggered the flow of government money into the unemployment insurance program, and since such a flow of money would be triggered, government economists and other who make government policy would say to themselves, "We cannot continue doing this. We must do something to establish policies which create unemployment." I say that if this is the way it works on the basis of an unemployment figure of 4 per cent or 5 per cent, it will also work at unemployment rates of 2 per cent or 3 per cent. Two per cent is no better than 4 per cent for the unemployed man who is down at the bottom. But from our point of view it would be a lot better if government involvement in the financing of unemployment insurance began at a much lower level. In the committee we argued that it should be 2 per cent. If we could even get a compromise between the two figures, it would be an improvement.

My contention is that the present procedure will give an air of respectability to 4 per cent unemployment which will vex us for a long time to come. Don't tell us the government is not prepared to countenance 4 per cent unemployment; we have a Prime Minister (Mr. Trudeau) who is prepared to accept 6 per cent, and got even more. I urge the government to reconsider this part of the program.

The old Unemployment Insurance Act involved the government right from the start. We presently have a 50-50-20 formula. Hon. members who were on the committee understand that formula. Even the white paper made the mistake of saying it was 40-40-20. I wonder who wrote that? We have a program at the present time

under which the employer makes a payment and the employee makes a payment; these add up to 100 and then the government pays an additional 20 per cent of that total amount. The fact is that the government is involved from the first. Indeed, at the present time it pays not only 20 parts out of 120, which is $16\frac{2}{3}$ per cent, but it also pays the administrative costs.

I am familiar with the argument that there are some expenses below the 4 per cent level which the government will pay. I realize, also, that once unemployment amounts to more than 4 per cent, government costs will skyrocket while costs to employees and employers will not increase. But we are concerned about bringing unemployment down. Once this level of 4 per cent has been set as the point at which the government comes in, getting unemployment down to 4 per cent will be the sole aim of government policy, and I for my part insist that this is not good enough.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): The minister also told us this afternoon that under the new legislation certain benefits will accrue to unemployed persons when the national rate is above 4 per cent, benefits which would not accrue to them when the national rate is below 4 per cent. It would be hard to explain to an unemployed person, whose need is just as great when the national figure is 3.9 per cent as when it is 4.1 per cent, that although in one case he will get the additional benefit, in the other case he will not.

It seems to me that the benefits which accrue to workers drawing unemployment insurance should, if they are to be flexible, be geared to the duration of that person's unemployment rather than to the national average, the general condition in the country. This whole concept of a 4 per cent threshold is one which needs to be examined all over again in committee. We went into it exhaustively, in both senses of the word, in the committee which considered the white paper, but it is so crucial to the legislation before us that I urge that we do so again when this bill gets back to the Standing Committee on Labour, Manpower and Immigration.

Mr. Speaker, I come now to one of the principal items of criticism which I wish to raise. Here I am meeting the minister with respect to the attribute of this legislation of which he is most proud. He is proud of the fact that this bill has adopted the principle of universality. This is true up to a point but—and this is the trouble—it is true only up to a point. The minister has tried to bring within its four corners all persons whose living depends on the money they received because they are employed, whether they are shopworkers, railwaymen, teachers, doctors, lawyers or whatever—if they are employed as opposed to being self-employed. But even though he has widened the net and brought in many more people than were eligible before, he has not touched the self-employed at all.

The hon. member for Hamilton West (Mr. Alexander) reminded us that we raised this question in committee one day when the minister was there; the minister took it seriously and undertook to have it studied, but later we were told it was too complicated. In this age of computers which can do the wonderful things the Minister of Justice (Mr. Turner) told us about this afternoon, I do not think it is beyond the wit of the people in the department to devise legislation which would protect the incomes of all our people.

The argument the minister used in defence of the payment of sickness and maternity benefits—and I agree with him 100 per cent—was that what he is protecting is the income of these people; the purpose of unemployment insurance is to see to it that those whose income is interrupted have a source from which to draw income to replace it. This is just as important a need for self-employed people as it is for employed people. If the minister really wants to bring in legislation which measures up to the billing he has given it, he ought to go a lot further and introduce a bill which would protect the incomes of all our people whether employed by others or self-employed.

Many of the criticisms of this legislation which are being made—I do not agree with them, but one can read them in some of our newspaper editorial columns—are to the effect that this is not really unemployment insurance, but welfare; that it really involves the taxing of certain groups, and so on. I suggest this would disappear if we were presented with a plan into which everybody would pay in order to protect his income against a time when that income might be interrupted because of loss of work or conditions over which the person concerned had no control.

• (9:20 p.m.)

Some of the people who do not like being covered say that the plan is not really universal after all; that they are being brought in while others are not. Let us get everyone into the plan. As a matter of fact, what is wrong with Members of Parliament being in the plan too?

Mr. Mackasey: Agreed.

Mr. Francis: Agreed.

Mr. Perrault: Agreed.

Mr. Knowles (Winnipeg North Centre): I have three votes. Are there any more? There seems to be more support for my proposal on the Liberal side than on this side. I guess they are anticipating the result of the next election. When I have advocated this proposal in some quarters, the retort has been made, "You mean, if a member is defeated at the next election he gets paid out of the unemployment insurance fund?" I suggest that while there is no means test in the Unemployment Insurance Act, there are provisions about going on pension and some MP's around here will be going on pension when they are defeated; so there could be a relationship between those two situations. Others would get other jobs. The result would be that not too many would collect from the plan. I think the moral effect of the answer it would provide to some of the critics would be worth our making a payment as well. The minister does not need to throw in his little piece about the premiums having been reduced, because they have not been reduced by very

much. In view of the little bit that it is, less than $1 a week—

Mr. Mackasey: For new entrants.

Mr. Knowles (Winnipeg North Centre): Yes, for new entrants—I think it is a shame that we are not paying into the scheme. We are saying that the virtue of this legislation is its universality. This afternoon the Solicitor General (Mr. Goyer) told the right hon. member for Prince Albert (Mr. Diefenbaker) that in this country universality means all citizens, including Members of Parliament. So I ask, why are we not in this plan too?

The feature of this legislation of which the minister is most proud, namely, universality, does not quite stand up. He has made the legislation just about universal for those who are employed and receive wages or salaries. This is what the scheme is—a plan under which people, whether poor risks or good risks, pay into a fund so that if their employment is interrupted they receive a benefit. The principle is a good one, but it would be better for society if it extended to all of us. I hope that some very serious thought is given to this proposition of real universality so that with respect to this and some of the other points I have mentioned the bill will come out of committee an even better bill than it is now.

[*Translation*]

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, at the beginning of the remarks I intend to make on Bill C-229, an Act respecting Unemployment Insurance in Canada, I wish to point out a few aspects which I consider important, particularly the existence of unemployment here in Canada before the legislation was passed in 1940.

I am trying to be realistic and to tackle this subject while taking into account the actual facts. I do not believe any serious people would ever claim that an unemployment insurance legislation can solve the unemployment problem, since it has been proved that unemployment existed before the passage of the legislation. As a matter of fact, it is higher today, in spite of the many years of implementation of that legislation and its regulations.

I do not believe that Bill C-229, which is the subject of our debate today, includes appropriate proposals to solve the unemployment problem. The proposals included in the white paper were examined in committee and used in the drafting of the bill now before us. But that does not represent a solution to the unemployment problem and it is quite easy to prove it.

The object of this measure is to help unemployed people either by reducing the inconveniences due to the lack of income, by paying them benefits or helping them to get suitable employment.

I admit that many investigations were made since the passage of the measure in 1940 and that many changes were made in the attendant regulations. A commission of inquiry of the Unemployment Insurance Act presented quite a voluminous report in November 1962, and in 1970 and 1971, we studied the proposals included in the white paper tabled by the Minister of Labour (Mr. Mackasey). I am happy to point out here that those proposals were studied with that spirit of co-operation that always prevailed among the committee members.

Representations were made by several organizations that had the privilege, through their representatives, of expressing their opinion on the advantages or disadvantages of the implementation of the proposals included in the white paper.

Judging from Bill C-229, I find that very few changes have been made even though the officials of various associations have objected to certain provisions of the white paper.

I propose to make some suggestions which I find practical and which, in my humble opinion, would make it easier to understand the various requirements of the act and regulations. I hope that the decision-making authorities will take them into consideration in due course.

I wished to make these few points at the beginning of my remarks so as to give the House a better understanding of the reasons for my attitude towards the proposed amendments to the Unemployment Insurance Act.

• (9:30 p.m.)

In short, Bill C-229 is not the solution to the unemployment problem but a palliative required by an ailing economic system. It would be more logical to set up an economic system based on natural order and on the logic of facts instead of putting up with the disastrous consequences of an economic situation based on a financial system continually in conflict with current economic realities. Obviously, the situation would be quite different if all the workers could find a suitable job at will.

I also wish to point out the inconsistency between the supporters of full employment—"everybody harnessed", as in some socialist countries—and the supporters of the financial system responsible for inflation and unemployment.

For our would-be socialists, lack of planning is usually responsible for all those unfortunate happenings. It has become the fashionable expression. In the meantime, full employment is still being urged although any sensible person will recognise it as almost impossible in a world where machines have been replacing man to an astonishing degree these last years.

I shall not dwell at length on this contradiction so obvious to the reasonably well-informed observer. It is clearly difficult to reconcile those two contradictory proposals: full employment and unemployment. Even though we are living in a society where the supporters of contradictions seem bent on convincing themselves that their claims are well grounded, we must nevertheless try to be logical.

Failure to be logical among the supporters of this same financial system has largely contributed to creating periods of unemployment. The Canadian people who have been through the 1929 to 1939 recession know that it is following that sad period, which showed the absurdity of the system, that we heard about an Unemployment Insurance Act. The party politicians created study groups, convened their projects officers who travelled through

various countries, trying to discover the causes of unemployment and the means used elsewhere to fight it.

Programs aimed at the distribution of direct relief were tried. Some valid men were even enrolled for 20 cents per day at Valcartier and elsewhere. There was no question of classifying the unemployed into categories; it was a total economic chaos. More than half the people were experiencing hardship and lack of money was responsible for all those periods of anguish. The gamblers in matters of money and credit had lost their bearings on the stock exchange in the course of that crisis of collective hysteria.

Having in mind this situation, I wish to say this respecting Bill C-229: I invent nothing when I say that the Unemployment Insurance Act which was enacted several years ago and amended now and then, is not sufficiently well understood by the workers, and I may add that this can be attributed to several reasons. One of the main reasons is that politicians elected with the support of financiers ask their legal counsels to draft a piece of legislation with enough restrictions to ensure the Fund's protection while allowing workers who become unemployed to receive benefits if they meet the requirements established under the plan; the first requirement is that they must have paid their contributions. The politicians in power are thus treated to some political campaigning at the taxpayers' expense by playing up an increase of weekly benefits up to $100 though it is obvious that the number of those who will qualify will be quite small.

But this helps keep hope alive among the thousands of unemployed who find themselves in a demoralizing position.

I have often said in this House that legislation should be drafted in intelligible language so that misinterpretations or even confusion could be avoided.

To prove my point, I will quote a few clauses of the bill, which contains 157 of them. Clause 23 reads as follows:

Waiting period

23. A claimant is not entitled to be paid benefit for a week in an initial benefit period until following the commencement of that initial benefit period he has served a two week waiting period that begins with a week of unemployment for which benefits would otherwise be payable.

Can you imagine what an unemployed will take that to mean? In clause 24, under the title "Rate of benefit", one can read in subparagraph (i), and I quote:

... but the maximum weekly amount of benefit payable shall not exceed sixty-six and two-thirds per cent of the maximum weekly insurable earnings and the minimum weekly amount of benefit payable to a claimant described in subparagraph (ii) of paragraph (b) shall not be less than seventy-five per cent of one-third of the maximum weekly insurable earnings.

Let us imagine what a poor unemployed will make of that. It is well known that that allows public servants—and I will explain it presently—to prepare the kind of regulations which leave all kinds of openings. There are loopholes in the law which will let anything through.

An hon. Member: An elephant.

Mr. Dionne: Yes, an elephant.

[Mr. Dionne.]

Such drafting requires public servants, who are responsible for implementing the law, to formulate regulations which will have to be enforced and which will be used to establish the eligibility of unemployed to benefits.

That is why numerous misunderstanding problems occur regarding the recognition of the rights of some unemployed.

Let us remember the measure provides that there must be communication between officials of the Commission and those of the Department of Manpower and Immigration and, sometimes, those of the regional offices of the welfare department in order to help people without income find some means of subsistence. Let us try to imagine what could happen in some cases.

I hope all unemployed will be understood. Their problems are complicated enough without their having to suffer the bad temper of some officials who do not always realize they owe their jobs to jobless, and the demoralizing effects that ensue.

A better legislation might hold them under the law of gravity, allowing them to keep both feet on the ground, and would doubtless spare them swollen heads, which often lead some of them to think better of themselves than they should, with the result that some of the unemployed suffer real hardships.

I feel that it would be in order, as I have already mentioned, to make a few suggestions which could, to my mind, be included into the new law. They could replace harmful clauses or be added to the 157 clauses already incorporated into Bill C-229.

The necessary steps should be taken to indicate on the insurance cheques what period they cover. With computers, it should be possible to add that detail; it would help clear up many problems and let the unemployed know for what period insurance is being paid. It seems to me this should be simple enough to do, and it would do away with many inconveniences.

In the second place, we should find a way to cover operators of equipment such as trucks, tractors, caterpillars, skidders and others.

A rate could be set for the services of the equipment and another for the wages of the operator.

Those adjustment procedures for unemployment insurance are quite important, since in many cases, the owners of those machines are not included in the class of workers to which the legislation and regulations apply. They are often considered as truckers and craftsmen or sub-contractors.

• (9:40 p.m.)

One should reconsider the possibilities of entitlement to benefits of some employers who have gone bankrupt. According to their type of work, they may have been considered as employers, since their undertaking required the employment of a few workers, and because of particular conditions, their business becomes unprofitable, and after having paid unemployment insurance contributions, being occasional employers, they cannot get any help, when they are struggling with serious problems.

Appropriate means should also be found to make casual workers, such as carpenters, labourers and others who work for several employers eligible for benefits. According to the principle of universality, these workers, who do some repair jobs at different periods, do not contribute to unemployment insurance and, therefore they cannot draw benefits. Yet they could show that they have worked for three, four or six months for various employers.

An exclusion notice should also mention in large letters that the applicant may appeal the decision and this without any expense, which is very important.

Moreover, the department officials' names should be typed at the bottom of their letters, as generally their signatures are not legible.

In my opinion, various matters should be taken into consideration, such as the number of weeks of waiting, and regions should be determined with regard to the percentage of unemployment rate. This is not mentioned clearly enough in the bill.

It would be in order that the new legislation be flexible enough in its administration so as to favour really those who are the victims of unemployment.

While seeking to determine the advantages and the disadvantages of the new legislation for a married worker without children who would earn $100 a week, I tried to figure out what would happen after 40 or 52 weeks of work and I let my colleagues free to draw their own conclusions about it.

Let us assume that an individual works 52 weeks at $100 a week. He would receive then a gross salary of $5,200, and for the same time, his $1.40 unemployment insurance would be $72. The federal tax for 52 weeks at $8.30 would amount to $431.60. The provincial tax, at $4.95 a week, would amount to $257.40. Premiums to the Quebec Pension Plan, for 52 weeks, at $1.59 a week, would amount to $89.68. Medicare, at 80 cents a week, would total $41.60. There remains a net salary of $4,313.92.

If he works during nine months or forty weeks, he will earn a gross salary of $4,000. At the rate of $1.40 a week, unemployment insurance will cost him $56. Federal income tax will amount to $332 and provincial income tax to $198. Contributions to the Quebec Pension Plan will total $63 and those to Medicare will be $32. His net salary will therefore amount to $3,318.40. Furthermore, at the end of the year, there would be a reimbursement on federal income tax in the amount of $137, one from the provincial income tax of $198 and another from the Quebec Pension Plan of $2.44. Medicare would reimburse $32. and for twelve weeks he would receive unemployment benefits that would amount to $58.30, producing a total of $699.60. The government would have reimbursed $1,069.04 leaving him a net salary of $4,387.44. Thus, the employee who would have worked nine months would have received $75.52 more than the one who would have worked the whole year.

Those who have worked throughout the year will have paid out $886.03 to the government and those who have worked nine months will have cost the government $1,060.04. The cost of the proposed reforms must also be taken into consideration. Since the government is to assume total responsibility for payment of contributions so long as there are to be unemployment percentages, taxes must be expected to increase in some way or other as under the present system our administrators have no other source of revenue. Care must be taken not to exhaust the reserves of forbearance of those who are fortunate enough to have an income but are beginning to show signs of impatience when faced with the amount of taxes they have to pay. This should be looked into carefully.

To obtain an idea of the cost of the proposed reforms, a comparison should first of all be made between present contributions and those which will come into force under the new system. An index of present costs appears on page 20 of document No. 72-516 (December 1969) entitled: "Labour costs in the manufacturing industry in 1968." Under the heading "Unemployment insurance", it is found that in the manufacturing industry, the contribution rate has increased to $48 in 1968, representing 8 per cent of the gross earnings.

For the employers engaged in the manufacturing industry, the weekly cost of unemployment insurance, therefore, comes to 91 cents. And as employees pay the same rates as their employers, their contributions are then 91 cents per week on the average.

The 26th annual report of the Unemployment Insurance Commission published in 1969 for the fiscal year ended March 31, 1967, shows both the employees' and the employers' contributions for the year under review.

Employers and employees together have paid $343,800,000 into the Unemployment Insurance Fund. One wonders what their contributions would have been had they been subject to the plan advocated in the white paper.

According to the proposed plan, employees earning less than $100 per week would have to pay contributions varying from 71 cents to 88 cents, or an average of 80 cents per week.

At the same time, for salaried people earning more than $100 a week, contributions will range from $1.06 to $1.32, or an average of $1.19 a week.

Now, according to the 1969 issue of the publication "Taxation Statistics", which gives an analysis of the returns of individuals for taxation year 1967, some 5,365,269 returns indicated incomes of less than $5,200 a year, or less than $100 a week.

Granting that all of these individuals, or most of them, come under the new plan and that their contributions average 80 cents a week or $41.60 a year, they would have paid a total of $223,195,190 into the Unemployment Insurance Fund in 1967.

For the same year, there were 2,768,426 returns indicating incomes of more than $5,200 a year, or more than $100 a week.

If their contributions to the Fund had averaged $1.19 a week, or $61.88 a year, as proposed in the white paper, they would have paid the sum of $171,310,200 in 1967. In other words, if all individuals had contributed according to the scale of the white paper, they would have paid the

sum of $394,505,391. Since professionals, self-employed persons, dealers and others are not subject to unemployment insurance, one must take into account only salaried persons or employees of concerns or institutions, employees of various governments and other unclassified employees, to discover that employees represent 83.5 per cent of individuals who filed income tax returns.

Thus, the employees would have contributed approximately $329,412,001 to the Unemployment Insurance Fund in 1967, according to the scale of the white paper, namely a sum almost equal to the total of aggregate contributions by employers and employees for that year.

We have seen previously that the average contribution of employers in the manufacturing industry in 1967 was $48 per year or 91 cents per week.

Now according to the white paper proposals, the group of employers accounting for a low unemployment percentage will pay from 71 to 88 cents per employee per week and the group of employers registering a heavy percentage of unemployment will have to pay between $1.42 and $1.76 per week per employee, which is almost double the 1967 average, and the group of employers between the first two will have to pay between 99 cents and $1.23 per week per employee.

If the share of the state earmarked for the re-establishment of the unemployment insurance fund could be easily figured under the former system, it is almost impossible to know what the state will have to pay under the proposed system.

In conclusion, employees will pay on the whole almost twice as much as in 1967; most of the employers will pay as much as regards the first category and almost twice as much for the two other categories, while the taxpayers may expect tax increases when unemployment exceeds 4 per cent. For three years, unemployment has exceeded this level and in some areas it is almost twice as much. Therefore heavy tax increases should be expected.

Also, the white paper says very little about what it will cost the state to help the unemployed.

Under the current system, it is easy to calculate this share. It amounts to 20 per cent of the contributions plus the administration costs.

Under the new system, the state alone will bear the cost if unemployment exceeds 4 per cent as well as the additional cost of the benefits of phases 1 and 2 and of the first part of phase 3.

In addition, when the regional rate is over 4 per cent and exceeds the national rate by 1 per cent or more, the state will assume the costs already mentioned, as well as the benefits of phase 5 during 18 other weeks.

Tables 7 and 8, which appear on page 36 of the Canada Statistical Review of July 1970, show the number of unemployed by region, as well as the regional rate of unemployment.

One realizes that the rate of unemployment exceeds the standards proposed in the white paper for areas in the Atlantic provinces and Quebec.

Considering all those circumstances, we must be careful in enacting this bill and amend it according to what the circumstances require. I do hope that these few suggestions I have made will be considered in the best possible spirit.

• (9:50 p.m.)

[*English*]

Mr. David Weatherhead (Scarborough West): Mr. Speaker, in the few minutes that I have before ten o'clock I should like to make a few comments with respect to our committee's work and, with your permission, I will continue my remarks tomorrow afternoon.

As chairman of the House of Commons Standing Committee on Labour, Manpower and Immigration I might say that last fall we spent much time studying the white paper on unemployment insurance. It is a pleasure for me to make some comments at second reading stage of this new act. Last June the white paper on unemployment insurance was referred to our committee, and later that month the committee issued an invitation for briefs on the subject from all interested individuals and organizations. The committee began its hearings in Ottawa in mid-September during the summer recess and continued until early November. Thirty-six meetings were held and we heard the presentations of 33 organizations representing management, labour and the new groups of employers and employees which it was proposed to insure for the first time.

The Minister of Labour (Mr. Mackasey) and Unemployment Insurance officials were heard and questioned by our committee on many different occasions. After numerous in-camera sessions by the steering committee and the whole committee, and with the reliable assistance of our consultant professor, Mr. Gilles Paquet, and our committee clerk, Mrs. Santosh Sirpaul, the committee reported to the House of Commons last December 18.

I would like to thank all members of the committee who devoted so much time to this study last fall. I am sure they will find it a very viable background for a clause by clause study of this bill when it is referred to us after second reading. In particular I would like to thank my vice-chairman, the hon. member for Gamelin (Mr. Portelance), the Parliamentary Secretary to the Minister of Labour (Mr. Perrault), the hon. member for Hamilton West (Mr. Alexander), the hon. member for Oshawa-Whitby (Mr. Broadbent), the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Kamouraska (Mr. Dionne) who spent much time in discussion and in drafting our committee's report.

While our committee's proceedings were not as nonpartisan as those of another committee in which I have spent much time, namely, the Committee on Veterans Affairs, we have been able to get along quite well and I believe I am very fortunate in being chairman of such a conscientious, hard working and courteous group of Members of Parliament.

During our extensive hearings a few particular aspects of the unemployment insurance proposals were raised frequently. I would like to deal with some of them in the short time I have tonight, and tomorrow. First of all, I suppose that the basic question was whether we should

have as universal a coverage as possible. As hon. members know, the legislation proposes covering all employees except the self-employed, with the exception of a very small group that will be exempted mainly because their earnings are either too casual or too intermittent in nature.

Our committee heard groups such as the Canadian School Trustees Association, the Canadian Airline Pilots Association, the International Association of Firefighters, the Canadian Nurses Association, the Canadian Teachers Federation, the Public Service Alliance of Canada and the Professional Institute of the Public Service in Canada, which represented a great many of the 1,200,000 new employees to be insured for the first time. The briefs from these associations, on universal coverage, varied from that of the Canadian Teachers Federation, which was against it, to the Canadian Nurses Association which favoured the concept.

I think many of us have always thought that nurses had one of the most secure professions in the world, that they could move anywhere and easily pick up a job because of the high demand for their services. I believe our committee members were astounded to hear that nurses were unemployed in some parts of the country, particularly in some of our cities. So they saw the proposal to give nurses unemployment insurance coverage as being of real benefit to the 50,000 nurses in Canada.

May I call it ten o'clock, Mr. Speaker?

Mr. Speaker: Is this agreed?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

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

VETERANS AFFAIRS—SUGGESTED MAINTENANCE OF HALIFAX SAILORS' MONUMENT BY DEPARTMENT

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, earlier today I asked the Minister of Veterans Affairs (Mr. Dubé) a question concerning the sailors' monument which looks out over the Atlantic from the south end of Halifax. This monument was built a few years ago by the Commonwealth War Graves Commission in co-operation with the Royal Canadian Naval Association. It had previously reposed on Citadel Hill, but because the hill was shifting and they could not get a firm foundation, it had to be taken down to more level land. For some years the Royal Canadian Naval Association has paid the light bill to keep the monument lighted. Now the association has indicated it can no longer pay this bill which I think is in the amount of approximately $1,500 a year.

On February 22 I asked the Minister of Transport (Mr. Jamieson) or his parliamentary secretary, on the "late

show"—this mystic hour to which all Ottawa flocks—whether the Department of Transport could use the light on this memorial as a beacon which would be of help to shipping. I must report that the department was kind enough to check out the request. Unfortunately, it decided that the light could not fill the purpose of a beacon. So now I try again, with the Department of Veterans Affairs to keep this memorial light alive.

The minister gave his answer earlier today. Since he and I are very civilized people, I will not quarrel with the answer he gave and will not even try to repeat it, because he will give it in a few minutes and we will have it on record, but more amplified than the answer he gave in the question period. I have to accept his answer in good faith, because I put to him a question some weeks ago and he and his department were good enough to look into it and to give a serious response. But I am left with the fact that there is no answer regarding keeping this memorial light going.

It is a fact that 24 naval vessels were lost in the various battles of the Second World War in which Canada and the Royal Canadian Navy engaged—these battles being primarily in the Atlantic, some in the Mediterranean and one at least in the Pacific—and that 1,981 members of the Royal Canadian Navy lost their lives in these battles. I presume that most of them lost their lives in the Atlantic. For those facts I used as a source the Encyclopedia Canadiana, at page 380.

• (10:00 p.m.)

To put my request in a final sentence, Mr. Speaker, if the minister indicates that the Department of Veterans Affairs cannot take this on as a national monument—my argument has been that for the 1,981 men who lost their lives in the Atlantic Ocean, this memorial at the south end of Halifax is in fact their gravestone—and undertake its perpetual lighting, I shall turn to the Department of National Defence and finally to the Department of Indian Affairs and Northern Development because of the historic site connotation; and if these three steps fail I will turn toward setting up some kind of private trust.

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, as I said this afternoon in reply to the question put by the hon. member for Halifax-East Hants (Mr. McCleave), I can well understand the interest which he has in this monument. I believe that the Halifax memorial is a very impressive one and I know it means much to many people in the Halifax area and elsewhere. This monument was erected jointly by the government of Canada and the Commonwealth War Graves Commission in 1967. The land for the monument was provided by the Point Pleasant Park Commission and the monument was built near the site upon which the original memorial was erected following the First World War.

The floodlighting of the memorial was arranged by the Royal Canadian Naval Association in conjunction with the Point Pleasant Park Commission. At that time, in 1967, it was pointed out to the association that it was not within the authority of the Commonwealth War Graves

Commission to instal floodlighting at memorials and crosses of sacrifice. There are some 22 crosses of sacrifice throughout Canada and no provision has been made for the floodlighting of any of them.

As I said this afternoon in reply to the hon. member's question, there are no funds provided in my department for this purpose. It has always been felt that local initiative could be enrolled and should be enrolled for this type of embellishment, thus creating more local interest in the memorial. I am sure that the hon. member, with his power of persuasion and his very civilized manner which I regard very highly, could succeed in enlisting the support of local veterans' associations and community associations. I am sure this would be a great source of satisfaction to himself as well as stimulating local interest in the monument—not only in the monument but in the supreme sacrifice of those to whom it was erected. If the hon. member wishes to tackle other departments on the subject I can only wish him good luck, but my advice is that he should try to enlist local support.

Motion agreed to and the House adjourned at 10.06 p.m.

HOUSE OF COMMONS

Tuesday, April 20, 1971

The House met at 2 p.m.

PRIVILEGE

MR. BALDWIN—KEEPING OF DOSSIERS ON MEMBERS OF PARLIAMENT BY ROYAL CANADIAN MOUNTED POLICE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I rise on a question of privilege in respect of which I have given Your Honour notice. Since it affects an issue which we discussed yesterday in the House, I understand that oral notice has been given to the Solicitor General as well.

When I raised my question of privilege yesterday I think Your Honour quite wisely indicated that before the matter was decided Your Honour might wish to avail yourself of assistance and advice from other members of the House on the general issue of whether or not there is a prima facie case of privilege, in the absence of which, of course, no motion could be put.

Let me make it clear at the outset that I do not challenge the right of the authorities, including the Royal Canadian Mounted Police, in matters involving the criminal law or security to deal with Members of Parliament as Canadians in the same way as other Canadians are dealt with, subject, of course, to their traditional rights and privileges which I shall cite to Your Honour later.

There was one exception to this. There was a fascinating case in the United Kingdom in 1939 when Mr. Duncan Sandys, a Member of Parliament, came into possession of certain information with respect to the armed forces. This is a well known case and is cited in many of the authorities. How the information came into Mr. Sandys' possession is not clear, but he went to the Minister of Defence and asked that it be confirmed. He said if the information was given to him he would remain silent. The minister did not confirm the information but shortly afterward Mr. Sandys was served with a summons. He went into the House, raised the matter as a question of privilege and, as I understand it, the House took the position that only with the approval of the chamber could the summons proceed. This approval having been given, the matter went forward to trial. That is really not the case here.

What we are dealing with here involves the traditional and proverbial rights of Members of Parliament. Both May and Beauchesne deal with this question to some extent. May, for example, in the eighth chapter of the seventeenth edition at pages 122 and 123 states that it is not proper to impugn the conduct of members in the House or to threaten them with future exposure if they take part in debates of the House. The author goes on to say—I am now quoting from page 123:

> Conduct not amounting to a direct attempt to influence a member in the discharge of his duties but having a tendency to impair his independence in the future performance of his duty will also be treated as a breach of privilege.

I intend to establish my case by quoting to Your Honour statements from *Hansard* and from an interview conducted outside the House with the minister. It may be possible that the information collected with regard to Members of Parliament has been collected for no good reason and with no thought of future action, but if this is the case these files are no more than the product of a bureaucratic pack rat and ought to be destroyed.

• (2:10 p.m.)

I should like to quote from the British Bill of Rights:

> That the freedom of speech in debates or proceedings in Parliament are not to be impeached or questioned in any Court or place out of Parliament.

This surely remains in force, Mr. Speaker, even if Members of Parliament do not know whose conduct is being impeached or questioned or for what reasons.

Beauchesne's Fourth Edition, paragraph 119 (2), reads as follows:

> Freedom of speech is a sacred principle and if there is a place where it should be fully respected that place is the Parliament of the nation, and it is the Speaker's responsibility to see that this principle is not infringed upon.

Attached to the fourth edition of Beauchesne is a very interesting annex dealing with a report brought in by the United Kingdom Parliament on April 5, 1939. It is a very lengthy and useful report but I shall quote only two brief paragraphs. At page 428 of Beauchesne we find this statement:

> The dignity and independence of the two Houses...are in great measure preserved by keeping their privileges indefinite. If all the privileges of Parliament were set down and ascertained, and no privilege to be allowed but what was so defined and determined, it were easy for the executive power to devise some new case, not within the line of privilege, and under pretence thereof to harass any refractory member and violate the freedom of Parliament.

My second quotation from the report is as follows:

> Your committee would emphasize a point mentioned in the report which they made to the House in the last session of Parliament, namely, that the privilege of freedom of speech enjoyed by Members of Parliament is in truth the privilege of their constituents. It is secured to members not for their personal benefit, but to enable them to discharge the functions of their office without fear of prosecutions civil or criminal.

Having cited that as a very brief synopsis of some of the law, practice and precedents, I now put before Your Honour some of the statements made in this House yesterday and later outside the House. I am referring to page 5032 of yesterday's *Hansard*, and my first quotation is from a question put by the hon. member for Hamilton West (Mr. Alexander). He asked:

> In view of the fact that some time ago one of the officials of the RCMP indicated to me during a meeting of the justice committee that perhaps there would be files on Members of Parliament in the event that complaints were made by constituents

or members of the public, would the minister now advise whether, in the event of such complaint against a Member of Parliament, it is the policy to compile a dossier relating to that member?

Your Honour intervened at that point and then the hon. member resumed by asking:

May I ask whether, in the event of a complaint by a constituent against a Member of Parliament, the RCMP, rightly or wrongly, would compile a dossier relating to that member?

The ultimate answer given by the Solicitor General (Mr. Goyer) was:

Mr. Speaker, I do not intend to make a statement on motions. I feel I have replied to the question and if the member does not understand me clearly, I wish he could be more specific.

A little farther down on the same page the hon. member for Egmont (Mr. MacDonald) asked this question:

However, at this time I should like to ask him—

He is referring to the Solicitor General.

—through you, Sir, whether it is now the practice of the RCMP to photograph, and in other ways cover public meetings in which members of this House, as well as civic officials, might participate, as was recently indicated by the premier of Prince Edward Island?

The answer of the Solicitor General was:

Mr. Speaker, some hon. members seem to think that they are in the United States. I do not know whether it is the practice or not. What motivates the decisions of the Royal Canadian Mounted Police is the need to take action. There is certainly no systematic policy about citizens. Events lead us. If some methods have to be used with regard to an individual, it is because there is a clear indication that it is necessary.

On page 5033 the right hon. member for Prince Albert (Mr. Diefenbaker) asked a question, the last part of which is as follows:

Will the minister give his unequivocal answer that the Royal Canadian Mounted Police, for whom he speaks in this House, have not, and are not continuing to have, dossiers on Members of Parliament? Let that be clear and let the House have the answer.

The minister replied and I shall only read the latter part because the first part consisted of an eulogy of the RCMP, with which none of us differ, Mr. Speaker. He said:

Now, I find no provision in the law—and if there is, I should very much like to be enlightened about it—to the effect that Members of Parliament are not also citizens, that they enjoy complete immunity and that they can do anything. If the House wishes to pass such a provision, the people will think that hon. members constitute a special category of citizens in this country.

The right hon. member proceeded to ask another question:

Mr. Speaker, there is no debate. I asked the minister the simple question: Are there dossiers on Members of Parliament? Members do not expect to be treated differently from anybody else, but Members of Parliament have the right to know whether this government has launched upon a system of looking into the lives of individuals through the Mounted Police.

The minister replied:

Mr. Speaker, I said that the department applied no general policy in this respect, and I might add that for the time that I have been Solicitor General, I have not seen the file of any member.

Mr. Speaker, later, outside the House, the minister was interviewed and the report contains two or three brief statements which I think are very relevant to this issue. This question was asked:

Does the RCMP have dossiers on all Members of Parliament?

A. I prefer this way to put questions than to be a little arrogant.

Q. No, sir, but you can't have dossiers on every citizen in Canada so I know that the RCMP have dossiers on some Members of Parliament?

A. Personally, as I said in the House, personally I never asked to see one dossier of a Member of Parliament and I have never asked to make an inquiry on one Member of Parliament—

The minister gave a further answer with which I should like to conclude, Mr. Speaker:

They might have dossiers on Members of Parliament. I am sure that they have dossiers on some Members of Parliament. You have Members of Parliament who are former civil servants and when a civil servant has to have access to top secret of course he has to accept the security clearance. This is normal and I think this is good.

Q. Now are you saying that it is not the policy to have dossiers on all M.P.s and you are also saying that you are not sure whether or not these dossiers do exist?

A. I am saying that there is no policy to the effect that we will have a dossier on all Members of Parliament. This is the information I have and this is the instruction—and also I am ready to give at any time but I am sure that I don't have to give those instruction. This is the practice.

Mr. Speaker, let me conclude with this very brief argument. I suggest that if you consider the compilation of all the questions and the answers given by the minister you will find there is no clear and categorical denial of the fact alluded to in the form of these questions, that dossiers are being kept in respect of some Members of Parliament as legislative representatives and that this constitutes an infraction of the privileges and immunities of this House. I suggest that this constitutes intimidation and a type of constructive blackmail that can only result in the diminishing of the freedom of members of this House. Surely it comes squarely within the definition of privilege which I have just outlined.

This refusal to give a straightforward and honest answer would be bad enough in connection with any government, but when it comes from a member of this administration which, with a few exceptions and in spite of some rather unbelievable expressions of affection for the parliamentary system, has shown by its actions that it is dedicated to the continuous erosion of legislative independence and freedom, it is unacceptable.

The neat question for Your Honour to decide now is whether a prima facie case has been made out, because more hinges on this than just this question alone. The minister's refusal to answer a consistent line of questioning both inside and outside the House must be interpreted as meaning that the minister is refusing for a very definite reason, and that reason lies in the fact that some dossiers are being kept and some scrutiny is being maintained on some Members of Parliament in their capacity as members. Does this extend to the point of interfering

with the telephones of members of this House? There is no question that if they can do the one they can do the other. I think this is an extremely important issue to be decided.

• (2:20 p.m.)

If the facts raise a reasonable probability of a prima facie case, then I suggest to you as Mr. Speaker and as a lawyer that the implications of a prima facie case are not such that we have to establish the point beyond a reasonable doubt and not even by a preponderance of evidence. If the facts indicate to Your Honour there is a doubt, that there is a possibility that the actions of the government and of the police authorities suggest there has indeed been maintained some form of scrutiny or some form of dossiers on Members of Parliament in the exercise of their legislative capacity as representatives of the people, that is a prima facie case. I would go further and suggest that if there is any doubt a parliamentary committee might well make an examination and assist Your Honour on that point. The matter is one which is entirely for Your Honour to decide and in doing so I think Your Honour is entitled to ask for assistance either in the form of advice from individual members or from a committee. I suggest further that if Your Honour should conclude there is a prima facie case on these facts, I would be prepared to consult with Your Honour and the House leaders concerning the form of the motion which might be put.

Mr. Speaker: I have listened with much interest and attention to the hon. member for Peace River. I do not wish to suggest that no reply should be made by someone on behalf of the government in respect of the hon. member's question of privilege, but in view of the prescription of the new rules the Chair has had an opportunity to give the matter serious thought, to look into the precedents and to consider the background of such questions. Therefore I believe I am in a position now to give my view, right or wrong, but I can assure hon. members that the conclusion to which I have come has been reached after listening very attentively to the hon. member and particularly after considering the matter since yesterday when it was first raised by the hon. member for Peace River.

The hon. member has, according to the provisions of section 2 of Standing Order 17, given notice to the Chair of his intention to raise the question of privilege he has now stated to the House. In his written notice the hon. gentleman stated that it was his intention to raise the same issue in relation to which he endeavoured to propose a motion during yesterday's sitting. That point may not be material at this time but I do suggest to the hon. member that what he raises today is a new and much broader question than the one he raised yesterday. In the notice given by the hon. member it is stated:

> The issue involved of course is the breach of privilege involved in the extent to which there is likely to be intimidation of Members of Parliament to the extent to which they are subjected to scrutiny and inspection, and have records kept of them in their capacity as Members of Parliament by the RCMP or others on behalf of the government.

RCMP Files on Members of Parliament

This morning I had occasion to look back over the records of the House beginning with the year 1946 and I find that the question of alleged dossiers on Members of Parliament as such has been raised on a number of occasions. I might even say that it has been raised regularly and that there are many citations or quotations which hon. members might want me to bring to their attention. In particular, I might refer hon. members to *Hansard* for July 5, 1946, the first year in which my search began, at page 3201, when the then Minister of Justice stated in part:

> The hon. member also asks if there are any dossiers on Members of Parliament. There are no dossiers on Members of Parliament as such.

Again, on January 29, 1958, as recorded at page 3948 of *Hansard*, the matter was renewed in relation to a question on the order paper. The then Minister of Justice provided an extended reply to the question. A similar reply has been made in answer to similar or related questions on a number of other occasions. In the time at my disposal I have come across the following examples: *Hansard* for October 29, 1962, at page 1011; *Hansard* for November 4, 1963, at page 4341; *Hansard* for November 28, 1963, at page 5210; and *Hansard* for May 3, 1966, at page 4632. Additionally, hon. members may be interested in reading the debate of some length on the very same subject which is recorded at pages 5161 to 5166 of *Hansard* for June 25, 1959.

The conclusion to be drawn from the questions asked and the answers given over an extended period of years is that hon. members have had reason to believe that dossiers might well exist in relation to individual Members of Parliament in their capacity as citizens at least, if not in their capacity as members as such. Also, in the same period the suggestion has come from successive ministers that if such files exist they relate to individuals in their personal capacity and not in their capacity as Members of Parliament.

The question is whether there are any special circumstances which might indicate that what was not considered privilege in previous years might be made the subject of such a question at this time. In my view there could be a prima facie case of privilege only if there were specific allegations or special circumstances leading to the conclusion that police or other activity is of such a nature as to interfere with a member in the discharge of his responsibilities in Parliament.

Hon. members may refer to Erskine May's classic definition of privilege often quoted in this House as it appears at page 42 of May's seventeenth edition. Parliamentary privilege is defined as the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the high court of parliament, and by members of each House individually, without which they could not discharge their functions, and which exceed those possessed by other bodies or individuals. Thus privilege, though part of the law of the land, is to a certain extent an exemption from the ordinary law.

According to this definition, privileges are those special rights recognized as belonging to Members of Parliament

over and above the law of the land as it applies to other citizens. Parliamentary privilege is the sum of extraordinary rights claimed by Parliament for itself to ensure that Parliament can function freely and without hindrance. These privileges are very limited in scope, and parliamentary law itself prescribes that this scope cannot be extended. Essentially, parliamentary privilege is, therefore, freedom of speech beyond the prescriptions of the common law in reference to libel and to slander.

Does parliamentary privilege as thus defined include a special right and exemption from the law, a special privilege providing an exemption from a practice which applies to other citizens equally? Do the very particular circumstances alluded to by the hon. member for Peace River constitute a prima facie case of breach of parliamentary privilege which might be referred, as suggested by the hon. member, to a committee for the purpose of advising the Chair?

I must say in all honesty and after much consideration of the matter raised by the hon. member for Peace River and the very important points made yesterday by the right hon. member for Prince Albert that it would be difficult for the Chair, in view of past practice, to conclude that in the present circumstances there is a prima facie case of breach of privilege. I suggest to hon. members that it would be imprudent of the Chair to project the question of police files beyond the circumstances or conditions raised by the hon. member and beyond the particular circumstances alluded to by the minister in his reply to the House and in the statement made outside the House to which the hon. member for Peace River has alluded.

For the time being, and considering the very special circumstances, I cannot find a prima facie case of privilege on the facts as presented to the Chair thus far. I think I should insist that I consider the matter to be a very serious one, that certainly I recognize the duty of the Chair on behalf of all hon. members to ensure that it will be possible for them to discharge freely their responsibilities as Members of Parliament, and if any special circumstances were brought to the attention of this House and to the Chair that hon. members in any way, by police or other practices, were in some way intimidated in their work or prevented from discharging their duties freely and without hindrance I would have no hesitation in recognizing the matter as a breach of privilege. But I must rule at the moment on the particular circumstance brought to the attention of the Chair and decide whether there is a prima facie case of privilege on this basis. My finding must be that there is not.

• (2:30 p.m.)

ORAL QUESTION PERIOD

Mr. Speaker: The hon. member for Dartmouth-Halifax East.

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I shall wait until the Minister of National Defence returns to the House in order to welcome him back to Canada properly.

[Mr. Speaker.]

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—STUDY OF EFFECTS OF POSSIBLE POLLUTION FROM TANKERS—MEETING WITH UNITED STATES OFFICIALS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Transport. It arises out of the growing evidence of increasing support in the United States for the Trans-Alaska Pipeline System, now supported by the President's Economic Council and by the U.S. Secretary of Commerce, Mr. Maurice Stans. Has any study been made by his department as to the possible effects of large oil tankers travelling between Valdez and Cherry Point and other points on the Pacific coast and, if such a study has been made, has it been completed and will it be made available to the members of this House?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I would assume that by "possible effects" of the transportation of oil the hon. member means the possible effects of some disaster, natural or otherwise, in the transportation of oil. The answer is that studies are under way on this question and have been for some time, not all related to the particular project to which the hon. member has referred but generally in connection with our environmental studies. With respect to the west coast route we also have a study under way at the present time with regard to additional navigational aids and various forms and devices that might make the route safer. This study is not completed, but when it is I see no reason why it should not be made available to the House.

Mr. Douglas: Mr. Speaker, I would like to ask the minister if the information which his department has already collected as to the possible damage to the fishing industry and to the coast of British Columbia has been transmitted to the government of the United States, indicating the Canadian government's concern and the Canadian people's concern regarding the possible ecological damage to the west coast?

Mr. Jamieson: Mr. Speaker, the normal channel for the transmission of such information would be through our own Department of External Affairs. The Department of Transport has certainly made all of the data available to that and other departments of the government, and I am sure that at least in part it has formed the basis of the communications and the fears that have been expressed already by that department.

Mr. Douglas: Mr. Speaker, I wish to direct one further supplementary question to the right hon. Prime Minister. In view of the fact that the Secretary of State for External Affairs has been corresponding with the United States Secretary of State regarding a possible meeting, may I first ask the Prime Minister if such a meeting has definitely been set, and if in the meantime the Canadian government has made any representations that the TAPS program not be proceeded with because of the possible dangers to the west coast of Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do not know if the meetings to which the Secretary of State for External Affairs has referred in this House have taken place. I do not know when they were or are to be scheduled.

[*Later:*]

Mr. Trudeau: Mr. Speaker, I have an answer to a question which the leader of the New Democratic Party asked me earlier, if I might be permitted to give it. It relates to the meetings between the Canadian government and the Department of State in Washington on the question of the pollution of the Pacific as a result of possible oil transportation from Alaska to the northwestern United States. I have been informed that there has been agreement to set the meetings for May 3 and they will take place on that date.

[*Later:*]

Mr. Speaker: I believe the hon. member for Comox-Alberni has a supplementary to the prior question.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a question related to those asked by the hon. member for Nanaimo-Cowichan-The Islands of the Minister of Transport. Are any discussions or negotiations going on with the province of British Columbia leading to the establishment of permanent protective arrangements, along the lines recommended by the Arrow task force, for oil leakage prevention and clean-up on the Pacific coast?

Mr. Jamieson: Not specifically with the government of British Columbia as of this moment. However, the recommendations that came from a committee of this House and from the McTaggart-Cowan group with regard to the establishment of a contingency plan are nearly completed. Many parts of them are in fact complete, and when this is done we will be discussing them with all of the provinces that have coastal waters and that are concerned about those waters, as we are. That should be within the next month.

* * *

[*Translation*]

NATIONAL PARKS

QUEBEC—ESTABLISHMENT OF PARK IN TÉMISCAMINQUE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to address a question to the Minister of Indian Affairs and Northern Development who is also responsible for national parks.

Are discussions taking place with Quebec authorities at the present time concerning the establishment of a national park in Témiscamingue?

Hon. Jean Crétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, there are no discussions taking place at the present time concerning the establishment of a national park in Témiscamingue. I know that all Quebecers feel it would be desirable to develop national parks not only in Témiscamingue but in other areas of the province as well.

Inquiries of the Ministry

Mr. Caouette: Mr. Speaker, I have a supplementary question for the Minister.

Can he tell us if any action is now being taken by his department for the restoration of the ancient fort of Ville-Marie?

Mr. Speaker: I believe that the supplementary question could be put on the order paper. And I wish to point out to hon. members that I have always had serious doubts about questions of the kind asked by the hon. member. In any event, I assume that he has obtained the information that could be useful to him.

[*English*]

I believe the hon. member for Humber-St. George's-St. Barbe has a supplementary question.

BONNE BAY—LETTING OF CONTRACT FOR SURVEY WORK

Mr. Jack Marshall (Humber-St. Georges-St. Barbe): Mr. Speaker, would the minister indicate whether a contract has been let to do survey work on the national park in western Newfoundland, Bonne Bay park?

Mr. Speaker: Again I suggest that question might well be placed on the order paper.

* * *

[*Translation*]

THE CANADIAN ECONOMY

MEASURES TO ALLEVIATE EFFECT OF COST OF LIVING INCREASE ON PEOPLE WITH LOW INCOMES

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs.

Can he tell us what are his intentions as regards the substantial increase in the cost of living during the past month? Since this increase affects low-salaried employees and people receiving old-age security pensions, does the minister intend to take steps to offset the effects of this increased cost of living on elderly people or low-income groups?

[*English*]

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, the annual increase at 1.9 per cent was the lowest experienced by any western country, and therefore any change in policy to deal with that for the moment satisfactory situation would have to be made by the government and announced by the Minister of Finance from time to time as would be appropriate.

[*Later:*]

[*Translation*]

Mr. Valade: Mr. Speaker, I should like to direct a supplementary question to the Minister of Consumer and Corporate Affairs.

Could the minister say whether, following this cost of living increase, he has given new directives or contacted the Chairman of the Prices and Incomes Commission in order to request explanations on the failure of this agency?

Inquiries of the Ministry

[*English*]

INQUIRY AS TO INTRODUCTION OF COMPULSORY WAGE AND PRICE CONTROLS

Mr. S. Perry Ryan (Spadina): As a supplementary question, Mr. Speaker, in the light of the recent statement by the Dominion Bureau of Statistics to the effect that the all-item cost of living index rose by 1.2 per cent in the first quarter of this year, the largest advance in over a decade, is the government now considering compulsory price and wage controls for specific industries or for the entire economy?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, of course any announcement like that would be made at the appropriate time and not during the question period.

Mr. Ryan: Has the minister caused preparations to be made in the event a decision is taken by the government to impose controls, and has he consulted with the provinces about expected or anticipated co-operation in the event a decision is taken to bring in controls?

* * *

NATIONAL SECURITY

GOVERNMENT POLICY RESPECTING PUBLIC ORDER (TEMPORARY MEASURES) ACT—REPLY TO QUEBEC REQUEST

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the Prime Minister. It has to do with the Public Order (Temporary Measures) Act which will die a natural death, as I hope it will, at the end of the month. Is he now in a position to say whether the government intends to permit it to die and not introduce other legislation or whether the government has in mind changes in the Criminal Code designed to cover the general situation?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I can assure the right hon. member that an announcement will made on this before the end of the month.

Mr. Diefenbaker: I have a supplementary question, Mr. Speaker. There is a delightful air of uncertainty about the Prime Minister which I can understand in view of the division in the cabinet. I would ask him, however, if the government has replied to the request of the government of the province of Quebec for permanent legislation to cover situations such as that which arose last fall? Has there been a reply and, if so, what was the nature of that reply?

An hon. Member: Take it up with Dalton Camp.

Mr. Trudeau: Mr. Speaker, there has been no written reply by myself to the Premier of Quebec. We have considered his letter and are taking into account representations which he made to me. He, too, will know the answer before the thirtieth of the month.

Mr. Diefenbaker: A further supplementary, Mr. Speaker. I realize it is very imprudent to try to get an answer from the Prime Minister on this but I would ask if a reply was sent by any minister of this government to the government of Quebec in consequence of the request that was made in this regard?

Mr. Trudeau: Mr. Speaker, I feel sure I am right in saying there was no reply. It is conceivable there has been one but I doubt it very much. The letter was addressed to me and I did not answer; therefore I cannot see how any reply would have been sent to that letter.

Mr. Diefenbaker: You were away at the time.

Mr. Trudeau: I might add that, as I told the House earlier, there have been verbal discussions on this subject between the Premier of Quebec and myself.

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question for the Prime Minister in connection with the request made to Ottawa by the Quebec government, Mr. Speaker. Is any further legislation necessary since the premier of the province of Quebec has assured the European countries that all is well in that province?

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question.

Mr. Speaker: I recognize the hon. member for Joliette, who wishes to put a supplementary question.

[*English*]

I wonder whether I could invite the co-operation of hon. members so that we might try to consider more subjects than we did yesterday. I still have to recognize a number of hon. members who did not have an opportunity to ask their questions yesterday. I undertook that I would look in their direction early in the question period and I am counting on the co-operation of all hon. members in order that I might be able to achieve that.

[*Translation*]

Mr. La Salle: Mr. Speaker, I should like to ask a question of the Prime Minister. Since the special measures must be repealed at the end of the month, can he tell the House whether there will be a meeting with the Quebec premier in this connection before then?

Right Hon. P. E. Trudeau (Prime Minister): I am not aware of any such meeting being planned, Mr. Speaker. Apparently, the Quebec premier is in Europe and I personally do not expect to meet him to discuss the matter referred to by the hon. member before the end of the month. However, as the hon. member knows, I am always open to such proposed meetings.

* * *

[*English*]

ADMINISTRATION OF JUSTICE

ALLEGED BUGGING BY ELECTRONIC DEVICE OF RESIDENCE OF ST. JEAN-BAPTISTE SOCIETY OFFICIAL

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is addressed to the Solicitor General. I would

ask whether he has received a report from a Mr. Cossette, chairman of a section of the St. Jean-Baptiste Society of Montreal, that his personal residence was bugged by an electronic device and, if so, what is he proposing to do about it?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I indeed received a wire from Mr. Cossette, which he had first sent to the Minister of Justice, and in reply I intend to point out to him that no Canadian law forbids such practices, as the hon. member knows. Naturally, the practices are open to anybody, police forces as well as private detective agencies and ordinary citizens. This means that anything goes.

As for this case, I shall simply say that the established practice in the House has been, for a long time, even when the right hon. member for Prince Albert was Prime Minister, to consider such matters as not in the public interest, which does not mean that my answer is either positive or negative.

Mr. Roch La Salle (Joliette): Mr. Speaker, I should like to put a supplementary question to the minister. Has the Solicitor General ordered that the device be removed from the home of Mr. Cossette?

Mr. Goyer: Mr. Speaker, if someone loses a pencil in a house, I doubt that it is up to the federal government to go and find it. Now, as I have indicated, there is nothing illegal about the object in question, or any other for that matter, being in the possession of the government or an individual.

[*English*]

Mr. Speaker: Order. There are a number of supplementaries but I believe I should return first to the hon. member for Greenwood.

Mr. Brewin: Mr. Speaker, in light of what the Solicitor General has told us, can he say whether the government is giving consideration to bringing in legislation which would make it illegal to instal these electronic listening devices in the private residences of citizens without a court order.

[*Translation*]

Mr. Goyer: Mr. Speaker, the hon. member knows full well that a committee of the House has looked into the question and submitted a report; the cabinet is now in the process of studying the matter.

[*English*]

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. I do not intend to reply to the gratuitous falsehood expressed by the minister but I do intend to ask him a simple question.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: Did the Mounted Police plant a listening device in the home of Marcel Cossette? It is as simple as that.

[*Translation*]

Mr. Goyer: Mr. Speaker, I merely wanted to remind the right hon. member that when he was Prime Minister, the Minister of Justice of the day used to answer exactly as I have done.

[*English*]

Mr. Diefenbaker: Mr. Speaker, these hypothetical statements do not in any way answer the question. The Solicitor General should be able to tell the House whether this was done. Members of Parliament are beginning to wonder if this is happening elsewhere as well.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. My backbenchers are again being lost in the shuffle and I propose to defend their rights this afternoon.

Some hon. Members: Hear, hear!

* * *

NATIONAL PARKS

ELK ISLAND—ANIMAL STARVATION—INVESTIGATION OF WILDLIFE SERVICE AND PARKS ADMINISTRATION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I should like to ask the Minister of Indian Affairs and Northern Development if he has had an opportunity to review the situation at Elk Island Park which resulted in mass suffering and starvation of elk and other wildlife and the subsequent mercy killing operation? Can the minister indicate whether a full investigation will be launched into the functions and responsibilities of the Canadian Wildlife Service and the parks administration with particular reference to this incident?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, my Parliamentary Secretary answered a similar question on the day the House adjourned some time ago and there is nothing that I could add to the comments he made on that occasion.

[*English*]

Mr. Mazankowski: In view of the fact that an elk feeding program was not instituted as suggested by the minister in answer to a question I posed to him and which is recorded on page 3865 of *Hansard,* can the minister indicate whether this development reflects a change in policy or is it a failure in the administration of existing policy?

[*Translation*]

Mr. Chrétien: Mr. Speaker, the National Parks Branch or the Canadian Wildlife Service cannot possibly foresee all the weather changes liable to occur during the winter season. That was an unusual situation in that area and I am sure that the National Parks Branch and Canadian Wildlife Service employees will record this experience and know how to face any similar conditions in the future.

Inquiries of the Ministry

[*English*]

INDIAN AFFAIRS

REQUEST FOR STATEMENT BY MINISTER ON TRIP TO AUSTRALIA AND NEW ZEALAND

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is also directed to the Minister of Indian Affairs and Northern Development. I want to welcome him back from his south seas holiday. It is nice to see him again.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Yewchuk: Could the minister indicate if he will be making a statement on motions to report on his trip?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, on a question of privilege.

I have visited many countries for the benefit of Canadians, and I know that the hon. member deeply resented not being chosen by his party as a member of the delegation.

[*English*]

Mr. Yewchuk: Mr. Speaker, I still want to know whether the minister will be making a report to the House of Commons by a statement on motions.

[*Translation*]

Mr. Chrétien: Mr. Speaker, I intend to discuss my trip to New Zealand and Australia before the Committee on Indian Affairs and Northern Development, where I will be able to have very useful exchanges with the members of the committee.

* * *

[*English*]

FLOODS

REGINA—FEDERAL GOVERNMENT ASSISTANCE

Mr. John Burton (Regina East): I was going to direct my question to the minister in charge of the Post Office but as he has stepped out of the chamber I will direct a question to the Minister of Agriculture. Since it appears that recent flooding conditions in Regina were contributed to by a more rapid run-off of spring water caused by the greater acreage of summerfallow encouraged by Operation Lift last year, will the federal government give consideration to assisting the province of Saskatchewan and local communities—

Mr. Speaker: Order, please. I suggest to the hon. member that his question is asked in the form of an argument.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—ALLEGED DELAY IN SUPPLYING INFORMATION TO MANPOWER CENTRES

Mr. Jack Marshall (Humber-St. George's-St. Barbe): I wish to direct my question to the Minister of National Defence. In view of the fact that information on the student militia and civilian employment phase of the Opportunities for Youth program has not yet reached Manpower centres, even though it was indicated that it would be done early in April, will the minister investigate this situation in order to avoid similar delays under the works projects and report to the House at the earliest opportunity?

Hon. Donald S. Macdonald (Minister of National Defence): My understanding is that it has been circulated Mr. Speaker, but I would be glad to check on the hon. member's allegation.

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AIRPORTS

STE. SCHOLASTIQUE—JURISDICTIONAL DISPUTE BETWEEN FEDERAL AND QUEBEC GOVERNMENTS CONCERNING PROJECT WORKERS

Mr. Lincoln M. Alexander (Hamilton West): I wish to direct a related question to the Prime Minister in view of the fact that a question regarding manpower has been raised. My question deals with the recent report to the effect that constitutional hangups have shut down the biggest project in Quebec, the Ste. Scholastique airport, and my understanding that the jurisdiction of the federal government regarding manpower has been challenged by the province of Quebec. How long has the government been aware of this situation and what means has the government at its disposal to resolve this very serious problem?

Mr. Speaker: Order, please. I am not sure that the first part of the question is in order but certainly the second part is. Perhaps the Prime Minister may want to reply.

Right Hon. P. E. Trudeau (Prime Minister): Certainly, Mr. Speaker. We have been aware of this very regrettable problem for several months. There has been a long series of meetings with Quebec officials to try to resolve this problem. I hope it will be satisfactorily resolved. It is an almost nonsensical situation when there are so many unemployed—

Some hon. Members: Hear, hear!

Mr. Trudeau: —that because of a constitutional quarrel workers are not working on this very large and important project. The point of view of the federal government has been made known to the province of Quebec. We have repeatedly indicated our desire to go ahead with the project. Of course, we have no authority over labour laws in the province. We are trying to get the province of Quebec to find a solution which would be in the best interests of the workers.

Mr. Alexander: In light of the fact it appears that the province of Quebec denounces the authority of the federal government in this very touchy area, is the Prime Minister in a position to advise the House what further steps are being contemplated if the province of Quebec

continues its stand regarding the position of the federal government?

Mr. Trudeau: Mr. Speaker, as a long-term solution the hon. member probably knows that the question of jurisdiction over the whole area of Manpower has been raised at the constitutional conferences. It has been discussed at the constitutional conferences and will be discussed again. In the meantime, I cannot see any solution which could be imposed by force by the federal government. I repeat that we are continuing to seek an amiable solution to this problem with the provincial authorities.

Mr. Speaker: The hon. member for Brandon-Souris.

Mr. Alexander: A supplementary question.

Mr. Speaker: Order, please. We are running short of time. The Chair will recognize the hon. member for Brandon-Souris on a further supplementary.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—ALLEGED CUTBACK IN EXPERIMENTAL FARM SERVICES SUMMER JOBS

Hon. W. G. Dinsdale (Brandon-Souris): I have a supplementary question for the Minister of Agriculture. Can the minister indicate whether there has been a cutback in summer job opportunities in the experimental farm services related to the Opportunities for Youth program?

Mr. Speaker: Order, please. I suggest to the hon. member that this is hardly a supplementary, but as the question has been asked the minister might reply briefly and quickly.

Hon. H. A. Olson (Minister of Agriculture): I will check into it, Mr. Speaker. I do not believe there has been a cutback in summer job opportunities.

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AGRICULTURE

INTERPROVINCIAL MARKETING—CONSULTATION BY ONTARIO AND QUEBEC WITH FEDERAL GOVERNMENT ON VALIDITY OF PROVINCIAL LEGISLATION

Mr. Rod Thomson (Battleford-Kindersley): I wish to direct my question to the Prime Minister. Did the governments of Ontario and Quebec consult with the federal government on whether the legislation passed by those provinces restricting the import of farm products might be considered ultra vires by the federal government and contested in the courts?

Right Hon. P. E. Trudeau (Prime Minister): I am not sure I seized the import of the question. I might attempt to answer by saying that the question has been raised at federal-provincial conferences at least twice. As we indicated in the House following those conferences, there was general support for the federal legislation on farm marketing and there was general support for the position that this would be the best possible solution. Some provincial delegations did, of course, suggest a reference to the courts, but the consensus seemed to be that legislation was the proper way. At that time we indicated our regret that the legislation had been stalled for so long by the opposition.

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[*Translation*]

NAVIGATION

STUDY OF CLEANING OF SHORES OF ST. LAWRENCE RIVER

Mr. André Fortin (Lotbinière): Mr. Speaker, I wish to direct a question to the hon. Minister of Transport.

Can the minister tell us whether it is correct that his department, in co-operation with the Department of Public Works, is making a study on the cleaning and development of St. Lawrence river shores between Quebec City and Montreal?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): I am not certain about that question, Mr. Speaker. I will have to take it as notice and get an answer when I can.

Mr. Speaker: There is an hon. member who is a frontbencher who claims the privileges of a backbencher. The Chair will recognize the hon. member for Toronto-Lakeshore.

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HOUSING

REHABILITATION OF HOMES IN TORONTO

Mr. Kenneth Robinson (Toronto-Lakeshore): I wish to direct a question to the Minister without Portfolio responsible for housing. In view of the fact that Montreal has applied for financial help from the federal government to renovate 100,000 homes over the next 10 years, will the minister give the same consideration to metropolitan Toronto?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, the question of rehabilitation of homes in Montreal was the subject of discussion about a month ago with Montreal and Quebec government officials and members of my staff. We made no precise commitment to a program of rehabilitation except to examine it as well as many other urban programs and problems in Montreal. As far as Toronto is concerned, several months ago we offered the city of Toronto a loan fund at low interest rates to be applied to the rehabilitation of homes. We are asking the city of Toronto to advise us on the details they would like to apply to the implementation of that program. I am certain the people there are aware that this is a much more complicated situation to deal with than had been apparent at first. With no criticism of them, I think they join us in recognizing that we have a lot to learn about this. We want to proceed with this program.

Inquiries of the Ministry

NATIONAL DEFENCE

EFFECT OF IMBALANCE UNDER UNITED STATES-CANADA PRODUCTION SHARING AGREEMENT ON FUTURE CANADIAN PROGRAMS

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, there are a lot of questions I would like to ask the Minister of National Defence arising out of his discussions with United States Secretary of Defence Laird, but I will accept Your Honour's admonishment. Arising out of his discussions with the Secretary of Defence, Mr. Laird, and having in mind particularly the imbalance Mr. Laird has drawn to our attention with reference to the 12-year old defence production sharing agreement, will this be a major determining factor with respect to programs that we have in the offing such as the replacement for the Argus, will we go ahead with the Orion or will the economic factor not be a consideration?

Hon. Donald S. Macdonald (Minister of National Defence): I would like to thank the hon. member for giving me notice of the question. I confirm that the primary dominating factor will be the defence consideration. With regard to the military question as to what position will be taken on the long-range patrol aircraft, I confirm that no decision has been made. While the primary consideration will be the military one, a very important subsidiary one will be the opportunities through this program for creating further employment for Canadians.

Mr. Forrestall: Can the minister give the assurance I am sure all Canadians are looking for that there will be no serious reduction in the number of jobs available to Canadians in the coming year, 1971-72, as a result of the attitude of the United States with respect to defence sharing? In other words, are we going to lose any jobs in the next year?

Mr. Macdonald (Rosedale): That is rather difficult to predict, Mr. Speaker. It depends on United States orders. With regard to defence programs, either in the United States or Canada, obviously there is not as much buying in Canada as there was in years past. I cannot give that definite assurance.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—SUFFICIENCY OF FUNDS—REQUEST FOR STATEMENT ON CRITERIA AND OBJECTIVES

Mr. David MacDonald (Egmont): I had hoped that today, Mr. Speaker, I might have been able to direct this question either to the Secretary of State or to his parliamentary secretary. In view of the importance of the Opportunities for Youth program, would the Prime Minister tell us, now that the deadline has passed and the projects have been received, whether there will be sufficient funds available to cover the projects in respect of which applications have been made and, second, when we may expect a more complete statement on the criteria and objectives involved since there is uncertainty in the country as to the extent to which this program will help those in need of jobs so that they will be in a position to return to school in the fall?

[Mr. Andras.]

Right Hon. P. E. Trudeau (Prime Minister): I did discuss this matter with the Secretary of State following the hon. member's question yesterday. He tells me he will bring the subject back to cabinet in order that the success of the program, together with various questions raised by the hon. member, may be assessed. I am sure he will wish to report in due course on the success of the program which he tells me is very great.

Mr. MacDonald (Egmont): I am grateful to the Prime Minister for his assistance in this regard. Can he tell us how soon we may expect a more complete statement from the Secretary of State, having regard to the shortness of the time available and the large number of students who are even now coming on to the job market?

An hon. Member: Very shortly.

Mr. Trudeau: I heard the answer from over there, Mr. Speaker. I hope it will be very shortly.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the statement by the Secretary of State that one in three of these projects may have to be rejected because the $15 million allocation is not sufficient, and bearing in mind the disappointment which many who have worked hard preparing these projects will undoubtedly feel, may I ask whether the $15 million is a fixed sum or whether the government would be prepared to consider increasing it so that all legitimate projects submitted can be accommodated?

Mr. Trudeau: The $15 million or thereabouts was part of a larger sum amounting to $57 million, I believe, set aside for summer projects. In considering the report to which I have just referred, we shall see whether there is any money left over from some of the other projects and, if so, it might be reassigned. This may not be practicable, however, because according to interim reports the government's program has been effective and successful in most areas.

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AGRICULTURE

ASSISTANCE TO APPLE INDUSTRY BECAUSE OF IMPORTS

Mr. P. V. Noble (Grey-Simcoe): I should like to address this question to the Minister of Agriculture. Has the minister made representations to the Minister of National Revenue with a view to the necessary action being taken to bring some relief to the hard-pressed apple industry by curbing the importation of apples and apple products?

Hon. H. A. Olson (Minister of Agriculture): Yes, Mr. Speaker. There have been several interdepartmental meetings respecting that matter.

MANPOWER

EMPLOYMENT PLANS FOR THOSE LOSING JOBS AT WINNIPEG AIRCRAFT OVERHAUL BASE

Mr. David Orlikow (Winnipeg North): My question, Mr. Speaker, is directed to the Minister of Supply and Services. In view of the sharp staff reductions at the Winnipeg aircraft overhaul base, and in light of the commitments made earlier to the government of Manitoba and to former employees of Air Canada that the base would continue as a viable operation for a number of years, may I ask whether the department has worked out any plans for further employment for the hundreds who are being dismissed?

Hon. James Richardson (Minister of Supply and Services): It is correct, Mr. Speaker, that the United States Air Force intends to phase out the T-39 program. This will be done during the summer months, and there will still be some planes going in as late as September. During this period my department and other departments will be working to find ways to increase the workload.

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TRANSPORT

AMENDMENT OF NATIONAL TRANSPORTATION ACT TO PROVIDE MORE REALISTIC RAILWAY PASSENGER POLICY

Mr. B. Keith Penner (Thunder Bay): Yesterday, Mr. Speaker, the government received and heard an important submission from the Canadian Railway Labour Association. My question is directed to the Minister of Transport. Have the minister and his department given any consideration to amending the National Transportation Act in such a way as to provide new directives and thereby open the way toward a more relevant and realistic rail passenger policy in Canada?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, and I will consult *Hansard* because that sounded like a pretty good preamble.

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POST OFFICE

ALLEGED CUTBACK IN DELIVERY TO APARTMENTS, OFFICE BUILDINGS AND SHOPPING CENTRES

Hon. W. G. Dinsdale (Brandon-Souris): I have a question for the minister responsible for the Post Office. Is it the policy of the Post Office Department, as charged by the president of the Letter Carriers Union, to cut back delivery in high-rise apartments, large office buildings and shopping centres?

Hon. Jean-Pierre Coté (Minister without Portfolio): No, Mr. Speaker.

Mr. Dinsdale: Can the minister give an assurance that there is no threat to job security as charged by the president of the union?

Inquiries of the Ministry

Mr. Coté (Longueuil): We have hired over 600 more letter carriers than we had in 1969.

NECESSITY FOR STAMPS IN MAILING INCOME TAX RETURNS

Mr. Cliff Downey (Battle River): My question, too, is directed to the minister in charge of the Post Office. Has there been some change in the postal regulations which makes stamps necessary on completed tax forms going to the tax data centre in Ottawa?

Hon. Jean-Pierre Coté (Minister without Portfolio): Stamps have always been necessary.

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NORTHERN AFFAIRS

FARO, YUKON TERRITORY—PLANS FOR SEWAGE TREATMENT PLANT

Mr. Randolph Harding (Kootenay West): My question is for the Minister of Indian Affairs and Northern Development. Has the hon. gentleman's department any plans for a sewage treatment plant at Faro in the Yukon Territory, having regard to the involvement of the federal government in the building of the new townsite?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I must take the question as notice. I shall inquire and get in touch with the hon. member directly on this subject.

* * *

[*English*]

INDIAN AFFAIRS

PRESENCE OF DEPARTMENTAL OBSERVER AT LAVELL HEARING

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of Indian Affairs and Northern Development. Is an observer from the minister's department watching the progress of the Lavell case which is presently before the courts?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I don't know if there is an observer on the scene but we are following with much interest the legal proceedings that are being carried out in Ontario.

[*English*]

Mr. Nesbitt: Would the minister undertake to give Mrs. Lavell some sort of relief by legislation or regulation if the courts are not able to do so?

Mr. Speaker: Order, please. The hon. member's question is hypothetical.

Inquiries of the Ministry

ROYAL CANADIAN MOUNTED POLICE

ASSURANCE THAT ELECTRONIC SURVEILLANCE DEVICES NOT USED IN COMPILING DOSSIERS ON MEMBERS OF PARLIAMENT

Mr. C. Terrence Murphy (Sault Ste. Marie): My question is directed to the Solicitor General. In cases where dossiers are prepared on Members of Parliament for whatever reason, will the minister clearly and unequivocally assure the House that the RCMP has not used and will not use electronic surveillance devices when compiling such dossiers?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, as I said, I believe police methods have to be applied to all citizens and that in law, they are all equal. That means that when the RCMP have reasonable motives to make an inquiry they do use all legal methods available.

[*English*]

Mr. Paul Yewchuk (Athabasca): Can the Solicitor General tell us whether members will be allowed to see these dossiers, if they exist, particularly their own?

Some hon. Members: Oh, oh!

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TRANSPORT

PROPOSED CONSTRUCTION OF NORTHUMBERLAND CAUSEWAY BY PRIVATE INTERESTS—FEDERAL ROLE

Mr. Heath Macquarrie (Hillsborough): I should like to direct a question to the Minister of Public Works. Has the hon. gentleman now been advised of Premier Campbell's representations in favour of the construction of the Northumberland causeway by private interests, and can the minister tell us what role he will be playing in this latest resurrection?

Hon. Arthur Laing (Minister of Public Works): So far, all I know is what I read in the papers.

Mr. Speaker: The hon. member for Malpeque.

Mr. Yewchuk: Mr. Speaker—

Mr. Speaker: Order, please. I apologize to the hon. member for Malpeque. Is the hon. member for Athabasca rising on a point of order?

Mr. Yewchuk: Yes, Mr. Speaker. I am sorry my question sounded funny, but I think the minister was ready to reply and I should like an answer.

Mr. Speaker: The hon. member for Malpeque.

BORDEN-TORMENTINE FERRY SERVICE—REQUEST FOR STATEMENT ON PROPOSED CHANGES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Minister of Transport. Would he make a statement on motions, or at least table a statement on motions, in the near future giving a comprehensive outline of the proposed changes in the connecting ferry services between Prince Edward Island and the mainland?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I was under the impression that during my absence the letter or wire that I had sent to Premier Campbell of Prince Edward Island was at least made available to members from that province. That is as comprehensive a statement as I have at the present time. If there is anything further or more specific any hon. member would like, I will do my best to get it, but that is the situation at the present time.

Mr. David MacDonald (Egmont): Mr. Speaker, I have a supplementary question for the Minister of Transport. In view of the fact that in that statement there was no mention whether the *Gray* would provide winter service at a time when it is vitally important to have icebreaking as well as rail service to and from Prince Edward Island, could the minister clear up what is a matter of major concern to the people of Prince Edward Island?

Mr. Jamieson: Mr. Speaker, I am in the process of doing that. I had a wire from the premier of Prince Edward Island this morning asking me that very question and a reply to it is being drafted. I should be glad to make that available as well.

Mr. Speaker: Orders of the day. Is the hon. member for Timiskaming rising on a point of order?

Mr. Peters: Yes, Mr. Speaker, on a point of order. I should like to ask the House Leader whether, in view of the interest of the government in Bill C-176, he would have it reprinted now so that we can satisfy requests for copies of the bill. I did raise this point in committee and requested that 2,000 copies be printed. The committee agreed to my request and then it was found that this was a responsibility of Your Honour. This is the reason I raise the point in this way.

Mr. Speaker: The information which the Chair has received through the usual channels is to the effect that there has been a reprint and that the reprinted copies are available at the present time. Orders of the day.

• (3:20 p.m.)

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT, COMMISSION, BENEFITS, PREMIUMS, ADMINISTRATION, ETC.

The House resumed, from Monday, April 19, consideration of the motion of Mr. Mackasey that Bill C-229, respecting unemployment insurance in Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. David Weatherhead (Scarborough West): Mr. Speaker, in making some comments shortly before ten o'clock yesterday evening on the Unemployment Insurance Act, 1971, I was pointing out I was going to discuss some of the main points that came before the Standing Committee on Labour, Manpower and Immigration during our long hearings on the white paper on unemployment insurance last fall. I stated that the first point we should consider was the question of universality, whether all employees should be covered by unemployment insurance or not. Then, I went on to say that we had heard a great number of briefs on this subject, that some of the new groups, such as the Canadian Teachers Federation, did not appear to favour universality as far as their teachers were concerned. But other groups coming in for the first time, such as the nurses, did favour universality because some nurses are now finding themselves unemployed for the first time.

Continuing my remarks, I should like to say that some of the teachers are not happy at being covered by unemployment insurance, and Members of Parliament have been the object of a quite well organized campaign by some teacher organizations in recent months to make their objections known. They have every right to mount such a campaign, as has any other group or individual who wish to make their views known to the government and to Members of Parliament.

However, it was the committee's opinion, and my personal opinion also, that the contingency of interruption of earnings is not now restricted to certain groups in Canada, as it may have been in earlier years, and that therefore no employee should be excluded from coverage if it were possible to include him. Many of us, including myself, would like to see as a matter of principle the self-employed covered also in order that the sharing of the financial burden of unemployment be as widely spread as possible. So far, however, neither the unemployment insurance commission nor the government have been able to come up with any formula that would enable them to decide when a person who is self-employed could justifiably claim he was out of work. I note that in his remarks last night the hon. member for Winnipeg North Centre (Mr. Knowles) pleaded for coverage under the Unemployment Insurance Act for the self-employed, but he did not say just how this was to be done or how abuses could be prevented.

Many tend to think that most of these 1,200,000 employees being insured for the first time are relatively highly paid people with very secure positions. However, more than one-half of these new entrants, including many working in hospitals and charitable institutions and many working for governments at the various levels, earn under $7,800 a year at the present time. Teachers have been very secure in their positions in past years. However, with the introduction of the birth control pill, the strict financial restrictions being placed on school boards for the first time since the depression of the 1930's, and with the introduction of new teaching techniques via closed circuit TV, cable, etc., it would be a brave teacher who could be sure that his or her job is completely and absolutely secure for the next 20 years. There are similar uncertainties in the public service at all levels. People in certain job categories are being let go for almost the first time, and the armed forces are being reduced in numbers and becoming more selective in personnel; and the same applies to other groups to a greater or lesser extent.

Although groups such as the teachers and public servants do have more risk of unemployment than before, it is true to say that they are still a very good risk as far as unemployment insurance is concerned. By including in the scheme these better risk groups and all employees earning over $7,800, we will be able significantly to help the financing of the main reforms in this legislation—much higher benefits, shorter qualifying period, etc. This will help keep off welfare people who have contributed to unemployment insurance, often for a great number of years, but who are unfortunate enough to find themselves without work for perhaps the first time.

Many of the unemployed find themselves getting various small amounts, up to $58 a week in benefits, and there is no way they can finance themselves for very long without many of them going on welfare. However, if the same workers who have paid into the plan for years get two-thirds of their income in benefits, which in areas like Toronto would mean that most would receive benefits of between $75 and $100 a week, then they could hold their heads high and get along without welfare for a considerable period of time. Similarly, the much shorter entry requirements of eight weeks for partial benefits and 20 weeks for full benefits, rather than the 30 weeks over a two-year period as before, will be of particular benefit to younger people who have a difficult time getting established in the work force, and who unfortunately make up a disproportionately large share of the unemployed.

After the tax deductible features are considered, the teachers and others being covered for the first time will be asked to pay a net of about 40 cents a week commencing on January 1, 1972, which will be increased to a net of about 80 cents a week once the plan is completely operative. In my personal discussions with teachers both at a recent teachers convention here in Ottawa and at meetings in various parts of my constituency, I have found them very reasonable and largely willing to be covered once they are made aware of the whole situation; and I believe this is the case with the other groups also.

Before leaving the subject of new groups who will be covered for the first time, my friend the hon. member for Hamilton West (Mr. Alexander) devoted considerable time in his opening comments yesterday to what he called the adverse financial impact on the local school boards of having to pay the employers' share of the cost of covering teachers under unemployment insurance. He recited some escalating figures in that regard for the next few years, and I must confess I did not jot them down. However, I believe my figures more or less agree with his and show a cost of $3,600,000 to Ontario school boards in 1972 and a cost of $6,500,000 in 1975.

I believe though that additional costs, Mr. Speaker, should be kept in perspective. It should be noted that the

province of Ontario gave about $814 million to the Ontario school boards last year and the school boards raised about as much again through municipal taxes. Accordingly, even in 1975, $6.5 million out of a figure now spent by Ontario school boards of $1.6 billion would be less than one half of one per cent of their education budget. On the other hand, the Ontario taxpayers will be benefited by paying an estimated $22 million less for welfare because of the increased benefits, a shorter eligibility period, etcetera, under the new legislation. Therefore, we have a $6.5 million additional cost on one hand, against a $22 million saving on the other, and the same principle applies to the other provinces.

One of the other matters that kept coming up in brief after brief was that of the proposal to experience rate employers. The proposal was that employers be experience rated according to their particular lay-off patterns as compared to the lay-off patterns of employers as a whole. On this basis, it would be possible for employers with a very high lay-off rate to pay up to double the employee rate. The basis for these proposals was primarily to try to encourage employers to plan their work better over the whole year and to avoid as much as possible lay-offs for seasonal or other reasons. The other reason was to make the industries with the worst lay-off patterns pay more of their share of the unemployment insurance benefits that result from the lay-offs they initiate. The Unemployment Insurance Commission showed our committee figures which stated, for instance, that in 1968 the manufacturing and trade and commerce industries put $37 million more into the fund than their employees drew out in benefits, while the construction, forestry, fishing and trapping industries withdrew $94 million more from the fund than they contributed in that year.

The briefs indicated mixed views on experience rating, with some labour briefs being in favour and some opposed. The same split in opinion appeared in management briefs. Perhaps the strongest argument against experience rating was that lay-offs in some industries were due to causes beyond the control of the employers; weather, seasonal factors, economic policies, and so on. However, only industries with abnormally high lay-offs will be affected by higher contribution costs. Another criticism is that experience rating would constitute a penalty to high risk enterprises. However, there may well be employers who find it profitable to operate with a highly fluctuating labour force, relying on unemployment insurance to provide assistance to those who are unemployed. This practice should certainly be discouraged. It should be emphasized that the lay-off factor in all likelihood will be based on a running three-year average which will smooth out abnormally high single year costs over surrounding years.

The committee, after listening to these and other arguments on the subject, agreed to the concept of experience rating of employers in general, but suggested that each employer within a given industry be experience rated against others in that industry rather than against all employers in all industries in Canada as a whole. It seemed to the majority of the committee that it would give more incentive to, say a firm in the construction industry, to reduce wide variations in its lay-off patterns if it were competing in experience rating against other construction firms only and not against the lay-off patterns of all employers in Canada. The new act does provide that the "commission may make regulations to provide a system of experience rating" with respect to employers premiums to the fund, which I believe is fully justified and in many ways essential to the new plan. However, the Minister of Labour (Mr. Mackasey) has indicated before our committee and elsewhere that he has an open mind regarding the application of experience rating and he is fully committed to discuss all the details of its application with all interested groups, before it comes into effect in 1974.

One of the other proposals that received great attention in our committee was the inclusion of sickness and pregnancy benefits in the unemployment insurance program. This new legislation allows the payment of benefits of up to 15 weeks, after a two-week waiting period when the employee has worked 20 weeks in the past year, has had to leave work and has had his or her unemployment benefits interrupted because of sickness or pregnancy. There is no question that this varies one of the supposed long-standing requirements for unemployment insurance benefits, namely, being ready, able and willing to work. However, this requirement has been subject to an exception since 1953 which allowed those who fell sick to receive benefits, but it did not extend to employees who lost their earnings because of sickness.

In other words, if any employee at the present time falls sick after he commenced receiving benefits he is allowed to continue to receive them, but an employee who has to leave work because of sickness is not covered. This seemed to be a great anomaly to the committee, and very detrimental to an employee who had to leave work because he was sick. The International Labour Organization convention advocating the provision of maternity benefits is accepted by most as one that ought to be dealt with. It is also recognized that wage loss insurance or salary continuation insurance is not available to a large part of the labour force, and that it is a desirable objective that most employees require this protection in the early years of service with any one employer before they have acquired much seniority.

I believe I am right in saying there are about three million employees at the present time who are not covered by any private plans for salary continuance during sickness. Most of these work for employers of fewer than 10 people and it is very difficult for such groups to be insured under private plans. Some groups that came before our committee stated they favoured the pregnancy and sickness proposals in general, but they thought they should not be included in an unemployment insurance act. However, it should be emphasized that this is not sickness and pregnancy insurance as such. It is not available to everyone who becomes sick or pregnant, but it will provide unemployment benefits only for employees who have worked for 20 weeks in the last year in the

case of interruption of earnings due to sickness and pregnancy.

There are about three million working women in the labour force today and they are and have been for a long time a very vital part of our work force in Canada. Many have worked continually for a long time, have paid into the unemployment insurance fund for a long time, and then decided to have a child. As the minister stated yesterday, a large number of women work to provide the necessities for their families. Therefore, I believe they should be entitled to unemployment insurance benefits for a 15-week period to enable them to have a child. This, tied into amendments to the Labour Standards Code now before the House with respect to maternity leave, will give the female employee significant new rights to which, in my opinion, they are well entitled.

There was considerable discussion in our committee on the impact that the unemployment insurance benefits for interruption of earnings caused by sickness would have on present private employer-employee sickness plans. It was originally envisioned that the Unemployment Insurance Commission would be a second payer, to pay the difference between a private work-related plan and the total of a two-thirds benefit for the up to a 15-week benefit period. However, it soon became evident at our hearings that these private work-related plans would be quickly renegotiated between employers and employees to put the UIC into the position of first payer, with the private plans picking up supplementary coverage to top off the UIC and/or plan for coverage after the 15-week period.

While about two-thirds of the employees in Canada have either no sick leave insurance at all or else have sick coverage inferior to that proposed in this new legislation, there is about one-third of the work force that is covered by private work-related plans which give them as good or better coverage in this field than that proposed now by the government. It, therefore, became highly questionable whether the government should disturb these good plans which now provide this adequate coverage to these workers. Accordingly, there is a provision in this new act which allows the UIC to give a rebate in premium to an employer to cover the sickness insurance portion when that employer has as good or a better private sickness plan for which he is already paying. If part of that private plan is being paid for by employees also, then the employees will get a pro rata share of that rebate.

• (3:30 p.m.)

Before leaving the subject of sickness and maternity benefits, I think I should mention that the question of abuse control in this area has been thoroughly considered. I believe the member for Hamilton West (Mr. Alexander), expressed some fears on this subject last night and it was discussed from time to time in our hearings. However, the duration of benefits payable in sickness will be governed by consultation with medical authorities and will be payable only on presentation of a medical certificate authenticated by a member of the medical profession. The UIC has a great deal of experience in control and prevention of abuse which is just as applicable to sickness as to other benefits. Indeed, the UIC has been criticized by some in the past for being too strict in abuse control. The two-week waiting period for benefits of course will automatically rule out eligibility for short-term illness which causes great expense in some of the private plans where the waiting period is sometimes as short as two or three days. In addition, any work related sickness or injury will not give rise to a claim for benefits under unemployment insurance as such contingencies are covered under various provincial workmen's compensation acts.

I certainly do not have the time now, Mr. Speaker, to go into a detailed commentary on all the other diverse aspects of this new legislation. However, one of the points that both the hon. member for Hamilton West and the hon. member for Winnipeg North Centre raised last night concerned the advisability of making a non-returnable three-week lump sum benefit payment in advance after the two-week waiting period. We heard in committee the argument that it would be a deterrent to looking for a new job quickly and, on the other hand, that it would be an incentive to do so. It seems to me that those who see it as a deterrent to seeking early alternative employment have too gloomy a view of human nature and have also ignored the high cost of living, particularly in our urban areas.

Let us consider the case of the $150 a week worker in Scarborough who is suddenly laid off. First of all, he will have to go two weeks without any income at all, and so loses $300 less tax right there. Then, he is entitled to receive $300 unemployment insurance benefits less income tax of say about $60 for the next three weeks instead of $450 less tax if he were still working. Accordingly, for the first five week period of unemployment he would receive a net of about $240 from unemployment insurance benefits rather than $750 less tax which he would have received from his ordinary employment. Now, the member for Hamilton West or others may think that this unemployed man, who is probably a skilled worker, will be tempted to stay home and not look for work in these circumstances. However, I strongly agree with the member for Winnipeg North Centre on this particular point. I believe that particular, proud, skilled craftsman will want to get back to work as quickly as possible; that he really will not be able to afford to stay at home, and that the three-week guaranteed benefit payment will be an incentive to search for new work immediately. Our committee did recommend that this lump sum three-week payment be made in two instalments, to help tide the worker over that period. I understand that the government is thinking seriously of doing this, but the basic right of the unemployed person to three weeks of benefits after a two-week waiting period, whether or not he finds a job in the meantime, should remain.

I am sure other members will have very worthwhile contributions to make in this debate and I shall look forward to hearing them. I could have said a lot more about the value of the greatly increased benefits, the

reduction of the premiums to those presently covered, the shorter number of weeks that have to be worked to establish eligibility, the tax deductible features of the premiums or deductions for the first time, the fact that benefits will be taxable for the first time to ensure that the more highly paid seasonal worker pays his full share of tax, and the financing arrangements which will be purposely very costly to the government if unemployment is at a high level. I believe the minister and the government are to be strongly congratulated in presenting to the House this new unemployment insurance act which includes so many kinds of benefits for the Canadian workers, male and female, and indirectly to their families. I am looking forward to the thorough discussion of the bill in our committee.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, my first observation regarding Bill C-229 respecting unemployment insurance in Canada is that the wrong minister is taking responsibility for its introduction. The bill is, in all essential respects, a piece of welfare legislation and, as such, it should be the responsibility of the Minister of National Health and Welfare (Mr. Munro) to guide this complicated and exceedingly baffling piece of legislation through Parliament. If any hon. member thinks I am being facetious in my observation, I would suggest that he turn to the white paper entitled "Unemployment Insurance in the Seventies" on which the bill is based. In the second column on page 8 thereof he will find the phrase: "benefits will be higher, more related to earnings and given more on the basis of need than length of time in the work force".

What insurance scheme, Mr. Speaker, provides benefits more on the basis of need than on earnings? This is not a concept found in insurance schemes, but it is certainly the basic concept of every welfare measure. Now, if the government wishes to establish a guaranteed annual income, then let it have the courage to come before this House with measures which clearly state such intentions.

I have studied with great care the government's white paper "Unemployment Insurance in the Seventies" and the bill now under consideration. I have studied the minutes of proceedings and evidence of the Standing Committee on Labour, Manpower and Immigration in an effort to come to as broad an understanding as possible of the government's proposals and the extent to which they represent a genuine improvement over existing legislation. I have no quarrel with the proposition that the present scheme requires overhauling. However, Bill C-229 certainly does not accomplish what is needed in this vital field. The scheme which the government now proposes is doomed to failure from the outset, within their concept at any rate, because it is actuarially unsound. It is most interesting to note that the white paper makes no attempt to document statistically the claim that the government will be able to provide increased benefits to a much larger segment of our work force on the basis of reduced premiums. This is simply an absurd impossibility.

The whole matter of the actuarial unsoundness of the proposed legislation is one with which I should like to deal at length on another occasion. However, for the moment I should simply like to make some short observations regarding the alleged savings in costs under this proposed legislation. The Minister of Labour (Mr. Mackasey) claims that there will be two major savings, one in the amount of $160 million which will result from having an extended waiting period for benefits from the present one week to two weeks before a claimant is eligible for benefits, and a second major saving of $120 million, allegedly to result from the elimination of the government's seasonal unemployment benefits. Unless the government intends to deprive certain people who now have benefits under the existing act from having them under future legislation, these savings are entirely illusory. The matter of the alleged savings of $160 million, which the government claims will come about by extending the present waiting period for benefits from one to two weeks, is in no way supported in the government's white paper.

While the government proposes that one must be unemployed for two weeks before he becomes entitled to initial benefits which then become payable to him on the first day of the third week of his unemployment, it ought not to require a great deal of imagination or foresight to see that many eligible claimants will simply defer taking employment until they have been unemployed for two weeks and one day, thereby becoming eligible for three weeks of benefits, rather than accepting employment a few days prior to this date and thereby depriving themselves of the three week's benefits to which they would then be entitled. The proposal the government has made in this regard simply invites flagrant abuse. Moreover, the first week's benefits to which a worker is entitled by reason of having paid into the fund are confiscated if he secures employment within the first two weeks of his unemployment. The repudiation of the validity of the alleged saving of $160 million by extending the waiting period to two weeks is contained in the government's white paper. Again, I would direct hon. members to page 20 thereof and this paragraph dealing with phase one:

> Past experience indicates that it takes three to five weeks to find employment under normal conditions.

By the government's own admission, Mr. Speaker, under "normal conditions", which we have not had for some time, it takes a job applicant longer than the two week waiting period provided in this legislation to find employment. How, therefore, can they say that the legislation which they propose will effect a saving of $160 million by increasing the waiting period before entitlement to benefits from one to two weeks? This merely delays payment of benefits, but that is not the same thing as saving the benefits.

• (3:40 p.m.)

The government also alleges a second saving under this proposed legislation of $120 million arising from the elimination of seasonal benefit payments. What then is to become of the people who now receive these benefits? Surely, they will have them replaced by some other type of benefit, or is the government simply going to leave them to their own fate? Fishermen were one class of

people who benefited from these provisions, and the government mentions in its white paper that special provisions for fishermen will remain. I presume that these are going to cost money, and in all probability more money under the proposed legislation since the benefit payments are higher than under the existing act. The question which I want to have answered is: how much will these benefits cost and what will the real saving be which the government alleges will be made through the elimination of seasonal benefits.

Since becoming a member of this House, I have read a great many white papers and reports by special committees, but none has been so bereft of substantiating evidence or documentation as the white paper on unemployment insurance. The most elaborate and far reaching claims are made without the slightest shred of evidence to support them. On page 5 of the government white paper we find this:

> Persons with a short work history may have even greater problems than those who have a long term labour force attachment. Allowing workers to take early advantage of an unemployment insurance program prevents them from falling into unstable work patterns. Instead, they are effectively integrated into the productive main stream.

My question is, very simply, how? The real problem of our economy is in creating new jobs, in revitalizing various segments of our industry and in bringing about taxation measures which offer a genuine incentive to increased productivity. Welfare measures of the kind proposed in this legislation will do nothing to create jobs. They may very well, however, have the detrimental effect of creating large classes of people who are capable of work and desirous of being gainfully employed but who, by reason of the government's mismanagement of the economy, will become nothing more than recipients of monthly handouts from the state, subsidized by those people who are productive members of the work force and by their employers.

The government's assumptions throughout the white paper have been based on a national unemployment rate not in excess of 4 per cent. Largely through the government's own efforts this country has in the past year been plagued by a national unemployment rate which is very nearly twice this figure. I wish that I could see on the horizon clear signs that in the next very few months the national rate of unemployment would return to levels of 3 per cent or 4 per cent, but I do not. I think we must, therefore, take very lightly the claims which are set out in the white paper assuming that the national rate of unemployment will be 4 per cent or less.

At current levels of unemployment, and by that I mean the level of unemployment which has persisted in the past year, the unemployment insurance fund would operate at a deficit of approximately one half billion dollars on the basis of the schedule of payments and the period of payments proposed in the act now before the House. I make this claim on the basis of a lengthy and most detailed study on the financial implications of the government's proposed changes in the Unemployment Insurance Act by a prominent Canadian chartered accountant, whose views were substantiated by an independent actuarial consultant. They were further discussed at length and in person by him with the officials of the Unemployment Insurance Commission, the result of which was to force him to conclude that however desirable may be certain features of this proposed legislation they cannot be implemented under existing circumstances without the fund operating at a deficit of some several hundred millions of dollars.

I note the following in the white paper:

> The government is not only willing to help the unemployed and the less advantaged by providing a system of incomes support during an adjustment process; it is also ready to assume the cost of extra unemployment insurance benefits when the national unemployment rate exceeds 4 per cent or when regional unemployment is over 4 per cent and exceeds the national average by more than 1 per cent.

This certainly appears to be a very generous statement for the minister to make. However, I wonder where he believes the means will be found which will enable the government to pay these extra benefits. It is the people of Canada, the taxpayers, who will assume this cost. Who else but the people of this country provide government with the funds to carry out such programs? I suggest that the present bill is simply a further example of the government foisting on the people of this country socialistic measures which are neither wanted by the vast majority of the people nor needed, nor are they within the financial means of the country. In reading the minutes of the proceedings and evidence of the Standing Committee on Labour, Manpower and Immigration respecting the white paper on unemployment insurance, I was struck by the fact that the overwhelming number of witnesses who were heard opposed this bill. That should provide reason in itself for the government to consider whether it would not be best to rethink its proposals on unemployment insurance.

Perhaps these objections were best summed up in the presentation made to the committee on October 13, 1970, by the Canadian Teachers Federation. The federation said in its brief:

> There is no doubt that the present unemployment insurance scheme, if it is to continue to exist requires over-all reform. Proposals to improve the financial condition of the fund by drawing in groups with a low expectation of claims are not new. We have consistently opposed them on the grounds that they represent selective taxation of an inequitable kind. They are not made more attractive by the addition of benefits which are generally already enjoyed by those whom it is proposed to include, nor by the addition of a highly doubtful claim to universality. From our point of view, even within its own terms, the present proposal for amendment of the unemployment insurance scheme creates more difficulties and anomalies—and of a more baffling kind—than it resolves.

Also, in an editorial in the Winnipeg *Free Press* of April 2 of this year, headed "Unfair Tax" we find the following:

> It has been obvious for some time that, whatever else Canada's revised unemployment insurance plan will be, for many people it will not be insurance. People who have no need for such a plan, and who cannot hope to benefit or receive protection from it (which is what insurance is supposed to do) will be paying, in effect, an additional compulsory tax. And employers will be levied a similar tax.

As insurance, this has little to be said for it under any circumstances; it has even less to be said for it when the employer is the already overburdened ratepayer. Yet, this is what the new plan will involve with respect to unemployment insurance for teachers. The Manitoba Teachers Society has estimated that the cost to Manitoba school boards will be in the neighbourhood of $1 million a year, and this figure is borne out by an independent study made by the Manitoba Association of School Trustees. The trustees estimate that the cost per teacher will be $25 in 1972, rising to $62 in 1975. For Manitoba's 11,500 teachers this will mean a cost to property owners of over $280,000 in 1972 and over $700,000 by 1975.

So, you can see that the cost of unemployment insurance will fall on the homeowner and will increase property taxes, something that we do not desire at this time.

When one remembers that under the proposed legislation one can become eligible for benefits with a minimum period of eight weeks attachment to the work force, and when one is mindful of our present levels of unemployment and our slow rate of economic growth aggravated by the high rate at which people are coming onto a depressed labour market, I submit that what is being proposed in this legislation is a program of such vast and devastating consequences for the public purse of this country that it cannot but result in the imposition of increased taxation measures which only remove from our enonomy money which is badly needed to lift it out of its present shameful condition.

• (3:50 p.m.)

Mr. Charles Turner (London East): Mr. Speaker, as a member of Canada's working force for many years, I have had the pleasure of paying unemployment insurance contributions for over 25 years with the knowledge that I would not draw benefits from the plan until I retired. However, I always had the guarantee that in the event something did happen to my job, I could apply for and receive benefits for many weeks until I was once again employed. The Good Book tells me that I am my brother's keeper. Therefore, I have willingly contributed to help my sisters and brothers who have not been so fortunate as I have been.

I know what it was like to be without a steady job during the dirty thirties. I know all about the hardships of looking for a steady job and having many employers tell me, "Sorry, nothing today." I would like to point out that in the thirties we had no unemployment insurance plans for the unemployed. I was very fortunate that, because of musical training, I could always go out and make a few dollars. Thousands of unemployed Canadians were not in that position and had to fall back on welfare.

In July, 1941, the Liberal government of that day brought Canada's unemployment insurance scheme into operation. The act provided for earnings-related contributions and benefits through a systems of earnings classes, and established an earnings ceiling for coverage of salaried and weekly wage employees based on their annual rate of earnings. In these basic respects, the principles underlying the scheme are the same today as they were in 1941.

The new unemployment insurance act contains self-adjusting features which are based on a moving average

of "average annual earnings." The average annual earnings for a year will be calculated as the average of salaries and wages actually paid to employees in Canada, based on information set out in returns under the Income Tax Act and supplied by the Department of National Revenue. The people of this nation need and are entitled to three basic security plans during their lifetime: unemployment insurance benefits in the event of loss of job, lay-off or sickness; medicare coverage for all health services; and a good retirement plan when their working days are over. Bill C-229 goes a long way towards helping to alleviate the hardships of unemployment through loss of job or sickness.

The inclusion of sickness and maternity benefits in the proposed legislation has given rise to a great deal of discussion. I think it well to note that the inclusion of sickness benefits in the unemployment insurance program is not a new concept, but rather is one that has had considerable support over a period of time. The extension of payment of unemployment insurance benefits to persons who became ill while on claim became law on May 14, 1953, although the bill introduced by the government did not extend the payment of benefits to persons who lost their earnings because of sickness. The arguments against the inclusion of sickness and maternity benefits have been directed mainly to the extension of unemployment insurance into the health insurance area rather than dealing directly with these situations according to the best political and social principles.

Mr. Speaker, 35 per cent of the Canadian work force is organized and, therefore, has some form of income sickness insurance. It must be recognized that wage loss insurance or salary continuation is not available to a large part of the labour force, and it is a desirable objective. Most employees require this protection in the early years of service with any one employer. I am convinced that the unemployment insurance program is the proper vehicle with which to achieve these desirable coverages. When workers are sick the landlord still wants his rent or mortgage payment. The groceryman still wants cash for his groceries. Therefore, the sick worker must have some protection, otherwise he will find his savings eroded and he will wind up on welfare.

This bill attempts to fill what is a substantial gap in the coverage offered by private carriers. For example, most private insurers are unwilling to provide coverage for groups of fewer than ten employees. I understand that there are about 300,000 such establishments in the country. In addition, a great many existing plans do not offer a comparable rate of benefit nor a comparable ease of entrance. A federal public servant, for instance, requires five years of service before he can accumulate sick leave comparable to the 15 weeks maximum sickness benefit proposed in the new bill.

Another good feature of this legislation is the portability between employers. Very few of the private plans are portable, and this can and does create a hardship for an individual who is required to change his or her employment. I think it is important to point out that the control of abuse of sickness and maternity benefits will be governed by consultation with medical authorities, and that

these benefits will be payable only on presentation of a medical certificate.

One of the basic features of the proposed unemployment insurance program is the lowering of the qualifying requirement to eight weeks of attachment to the labour force in the last 52. This is a proposal that received a great deal of attention during the deliberations of the parliamentary committee. I note that the representative of the Conservative party has questioned the proposal to lower the barriers for entry into the plan. However, there was no suggestion made as to what the minimum entry requirement should be. The hon. member for Hamilton West (Mr. Alexander) suggested that the reduction of the qualifying period would encourage abuse, but on the other hand noted that the program would be of little assistance to the growing number of young persons with no work experience who are not eligible for jobless benefits nor retraining programs. I wish I knew what the hon. member was advocating. Either he is for or against this aspect of the proposal; he cannot be for and against.

I was gratified, on the other hand, that there was very little criticism or objection in the parliamentary committee report concerning the new plan to lower the period necessary to qualify for benefits. There were a number of statements in briefs about minimum attachment to the labour force, but these varied from recommendations to increase the present length of attachment to the labour force to reducing it to zero for those just entering the labour stream. It goes without saying that setting the minimum attachment to the labour force before being eligible for benefits is a matter of judgment based on a number of considerations, such as the objectives of the program, other conditions of entitlement, and probably the administrative mechanisms that are in place to reduce to a minimum the possibility of abuse.

I must emphasize that the lower qualifying requirements have been proposed only after a considerable amount of research and study centred around the motivation of the individual, the needs of a worker when faced with a loss of earnings, and the ever-changing composition of our society, which brings with it a reshaping of the labour force and its attendant dislocation of individuals. The results of these studies have shown us that no rigid guidelines are available from which we could formulate a hard and fast rule for qualifying, but there are indications that current conditions require a re-orientation of our thinking in terms of providing protection and assistance to members of the labour force. Therefore, we must look to our objectives in deciding on a level of minimum attachment.

We cannot ignore the deplorable fact that under the current plan several hundred thousand workers who become unemployed cannot meet the existing requirements. Persons in this situation generally turn to public welfare agencies for assistance, and are faced with a level of subsistence which is inadequate to meet their needs. The psychological effect of this situation on the individual who is without work does not need to be emphasized because every indication is that he will have a much more difficult time in finding steady employment than the person who, through steady attachment to the labour force, receives a level of benefit which is acceptable during the time he is looking for suitable employment. One of the main purposes in reducing qualifying requirements is to provide a minimum benefit to those people who have a short work history, as it is often this group that has the most difficulty in becoming re-employed.

• (4:00 p.m.)

You are aware that benefits under the present act are related to length of attachment to the labour force and bear no relationship to the difficulty in becoming re-employed. More specifically, qualification is established by having made 30 weekly contributions over the past two years, eight of which must have been in the last year. Entitlement to benefit, therefore, is based on past history rather than on prevailing economic conditions. These conditions, of course, bear heavily on the ability to find employment and the proposals in the bill take them into account in the determination of entitlement to benefits. With today's rapidly changing economic environment, the very large relative increase in the number of younger people in the work force, and the increased mobility of the working population, it has become necessary to relate entitlement of benefits to a much shorter and more recent work history.

The hon. member has stated that any unemployment insurance scheme must maintain a proper balance between providing temporary income maintenance and facilitating reabsorption into the labour force. I could not agree more, Mr. Speaker, and the proposals of the bill are designed to do just that.

Another factor which enters into this consideration is that of cost. A balance has to be struck between what you are trying to provide and the cost of providing it. We can increase the cost of the program by lowering the qualifying requirements to nothing, as some have suggested, or we can reduce the cost of the program or provide better benefits by increasing the entrance requirements as suggested by those who are more conscious of costs and have expressed fears about abuses. Let me reassure you, Mr. Speaker, that the studies carried out to establish the costs for the new program have shown that this balance can be reasonably established with a work force attachment of eight weeks in the last 52 weeks.

The qualifying conditions that are part of the proposals of the bill will provide a substantial measure of short term financial support, in the event of unemployment, to the Canadian labour force. This financial support, coupled with the other services which the government plans to make available to claimants, will ensure that proper guidance and motivation are provided to the person who is faced with the loss of earnings. In view of the factors I have just put forward, in terms of cost and in terms of reasonable attachment, I am confident that the qualifying requirements are compatible with our rapidly changing labour environment. I would not like to depart from the principles of the bill because it seems to me that to do so

would be an injustice to Canadians who participate in the development and enrichment of our country.

In this fast changing society in which we live, the working force of this nation needs protection from loss of jobs and this new unemployment insurance act helps Canadians in the event that changes have to be made in their work pattern. Many Canadians during the past few years have found that in this machine age many jobs have been eliminated and, therefore, in the transition period of retraining for a new job some form of income protection for all Canadians is needed. Unemployment insurance in the past has helped immensely during this change period, and therefore this new bill is most welcome. In my opinion, all Canadians, including the self-employed, should have protection and I sincerely hope that ways and means can be found to make this plan truly universal.

No government likes unemployment or inflation, but history has proven that we have high and low points in our economy and, therefore, we must have some kind of income protection during those low points. This new unemployment insurance act will help many Canadians during the trying days of sickness and unemployment and, in my opinion, it is a desirable piece of legislation. I congratulate the Minister of Labour (Mr. Mackasey) for looking ahead and providing the kind of income protection that all Canadians require.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, the hon. member for Winnipeg North Centre (Mr. Knowles) made it clear yesterday that, generally speaking, members of this party welcome this first complete rewrite of the Unemployment Insurance Act since 1955, while indicating also that there are some parts of it we would like to see changed in a way which would lead to an improvement. It is not my intention, Mr. Speaker, to attempt to cover the same ground that the hon. member for Winnipeg North Centre dealt with last night, but rather to deal with a couple of particular aspects of the whole question of the application and administration of the Unemployment Insurance Act which I feel are pertinent to this debate.

In view of one or two remarks made by the hon. member for Dauphin (Mr. Ritchie), I would like to suggest that his opinion that this was welfare legislation rather than insurance legislation indicated a very misleading appraisal of the intent of the bill. I suppose one could indulge in semantics by saying that any kind of insurance plan is welfare legislation because essentially it is a matter of a group of people sharing the risk of the individual suffering a mishap or disability. I would assume from what the hon. member for Dauphin said that he will be opposing this bill at the conclusion of second reading, and I will be interested to see whether he follows his remarks with his vote.

I should like to make one further reference to his remarks, Mr. Speaker. He suggested that the overwhelming number of witnesses appearing before the committee were opposed to the bill. He argued, therefore, that the bill must be basically wrong. I think his remarks would be much more illuminating had he taken the time to list

[Mr. Turner (London East).]

the type of witness who appeared before the committee to register opposition. I think it would be clearly revealed from the record that most of the witnesses expressing opposition were from the elements of our society most concerned with extracting their pound of flesh from the working people of this country, either by avoiding paying any increases in wages or by getting it from the workers in their capacity as consumers. I was very concerned that the greater number of the witnesses who appeared before the committee represented such an imbalance of opinion in this country. I am glad to note that the members of the standing committee which dealt with the white paper did not yield to the pressures of vested interests.

When we were considering changes to the Unemployment Insurance Act in 1955, I can remember saying in this House that I should like to see the day when all workers in Canada who had made one premium payment into the fund would be qualified for benefits. This goal is not achieved by this bill, but I mention it because the hon. member for Dauphin suggested rather sneeringly that since a person could be eligible after an attachment of only eight weeks to the labour force this was a welfare measure.

I should like to address myself to one particular aspect of the bill to which the minister made reference in his opening speech, Mr. Speaker. I refer to the stated intention of the government, which is long standing, and the stated intention in the bill as it is before us, that sooner or later coverage of fishermen under the Unemployment Insurance Act will be discontinued. The minister said that the coverage will continue until it is replaced by something else. This is certainly what the bill proposes. The minister suggested that it will be replaced with a suitable plan, but he did not say to whom it would be suitable nor did he give any indication what the nature of the plan might be. In considering this bill, we are faced with a situation where we are in effect asking the fishermen of Canada to buy a pig in a poke. They do not have any idea what may be brought forward as a replacement for the coverage they now enjoy.

• (4:10 p.m.)

There have been some rumours emanating from the Minister of Fisheries and Forestry (Mr. Davis) that there may be some form of catch insurance. It has been rumoured that this might be covered by a payment of something like 7½ per cent of the gross value of the fisherman's catch. To the best of my knowledge, there has been no official statement from either the Minister of Labour (Mr. Mackasey) or the Minister of Fisheries and Forestry as to what may be in store for the fishermen as an alternative to unemployment insurance. This House should not give approval to the passage of this bill until we have some definite indication as to what the alternative will be for the fishermen. On the other hand, we could amend this bill to incorporate benefits for the fishermen under the plan on a permanent basis.

When I directed a question to the minister, he gave his assurance that coverage will continue until there is a replacement. I reported this to the fishermen in my constituency. I said I accepted the minister's word at face

value. I say to the minister that the fishermen to whom I have talked are not prepared to accept that statement as something to which they can agree in relation to this bill, without discounting the truth of what the minister said. As far as I have been able to ascertain, the fishermen would sooner be provided with definite coverage under the Unemployment Insurance Act, which is in the tender hands of the Minister of Labour, than be pushed more completely under the jurisdiction of the Minister of Fisheries and Forestry. In British Columbia, where we have been having legislation by press release with regard to the licencing of salmon fishermen, the fishermen want no part of any scheme that the Minister of Fisheries is likely to devise. If for no other reason, I urge the House to reconsider the position of the fishermen under this legislation.

I find it completely incomprehensible that the government would even think of bringing forward this piece of legislation for second reading without at least having given first reading to the measure in the mind of the government as far as the fishermen are concerned. It is not as though this idea had been suddenly sprung upon us. It has been lying around since 1961 when the Gill commission report was tabled. There has been adequate time for the fullest consideration to have been given to possible alternatives for the fishermen. In the absence of any such alternative at this time, we can only conclude that the government has failed to come up with any alternative that approaches what they, let alone the fishermen, feel would be a suitable alternative.

The fishermen feel as though they are being pushed from pillar to post. They are becoming increasingly desperate. If they are not made the victims of incursions from foreign fishing fleets, they are suffering from the degradation of the environment as a result of other industrial activities in this country. They are constantly being hemmed in by new and more restricted legislation of the Department of Fisheries in an effort to conserve depleting stocks of various fisheries. The amount of time which fishermen are allowed to work is being reduced. They become involuntarily unemployed at the whim of the Department of Fisheries. If any group of workers is subject to the hazard of interruption of earnings, it is the fishermen of this country. This is one of the most important omissions in the thinking of this government with regard to what should be considered a more universal application of unemployment insurance.

In his speech, the Minister of Labour stated that there are welfare connotations attached to the present unemployment insurance scheme for fishermen. I do not quarrel with that statement, but I would like to point out if there are welfare connotations attached to the plan which was developed for fishermen, they were brought in by a Liberal government. I can remember when the then Minister of Labour introduced this plan after I had been arguing for coverage for the fishermen of British Columbia for two or three sessions. I remember saying to the minister that even in their wildest dreams the fishermen never expected the government to come up with a plan like the one that was being introduced then.

In many respects, the existing plan is completely topsy-turvy. The fishermen in British Columbia who need the coverage least are able to draw the benefits. The men who suffer are not eligible because of the lack of the necessary number of fishing stamps. It is true that more money has been paid out of the fund to fishermen than they have contributed through their premiums. I think if one were to examine the situation closely, occupation by occupation, he would find a great many other groups of workers in various parts of the country that have drawn more by way of benefits than they have put into the fund by way of premiums over the years.

Rather than maintaining this present unsatisfactory position which leaves the fishermen up in the air, not knowing where they are going to be, the sensible thing would be for the members of the standing committee of this House who study this bill to do a thorough rewrite of the present arrangements for unemployment insurance coverage for fishermen. For a long time, I have been saying that they are obvious faults and flaws in the present arrangement. In fact, I have been saying this ever since the plan was introduced. I think this would be a realistic approach for the committee to take. Even at this time, I hope that on reflection the Minister of Labour will accept this idea and persuade his colleagues in the cabinet also to accept it.

• (4:20 p.m.)

The minister did make reference to the old argument that fishermen are self-employed as an excuse for eliminating them from coverage under the plan. But everyone who really understands the situation in the fishing areas of Canada knows that fishermen are working people subject to the interruption of their earnings to a larger extent than many other categories of workers. As far as I am concerned, this is all the more reason for devising a technique to make sure that they benefit from coverage, not on the basis of welfare but as participants in the work force. It is true they may have more tools and equipment with which to carry out their occupation than other workers possess, but many of the workers covered by the legislation do provide at least part of the tools required to enable them to do their jobs.

My hon. friend from Winnipeg North Centre touched upon this question of unemployment insurance for self-employed people and expressed some hope that coverage could be extended so as to cover this class of worker. A good deal of experience has been accumulated about this particular group, the fishermen, because they have been covered by the act for a number of years. A start in the direction indicated by my hon. friend might well be made with this particular group of workers. We could examine the flaws in the existing plan and devise steps to correct them, for it is not beyond the bounds of reason that the present arrangements could be rewritten so as to eliminate some of the present anachronisms. Thus, I hope the committee, when it studies the provisions in this bill intended to continue temporarily coverage for fishermen will examine this question again, get to the bottom of it and come up with a solution better than the nebulous

suggestion made so far from the government side about providing some other suitable plan.

There is one other matter I should like to talk about for a little while and it has to do with the administration of unemployment insurance. When this bill becomes law, the Unemployment Insurance Commission will again be charged with the administration of the system. As in the past, the Commission is given wide latitude in respect to the way in which the administration is carried out. I notice there is a clause in the bill before us which provides for the Commission to establish branch offices as it sees fit, and a similar section exists in the present act. I have been looking over a book called "Instant World" which was tabled in the House recently by the Minister of Communications (Mr. Kierans). There is one sentence in it which strikes me as being most apropos to the whole matter we are considering. If the minister will look at page 39 of this publication he will see that in summarizing the seminars which were held on the subject of telecommunications and computers the following words are used:

> It was evident that most participants were deeply concerned with the need to put "soul" into the system.

I believe this is an ever-growing concern among people throughout the world. They seem to feel lost in some vast, soulless system which crushes and grinds them until they do not know which way to turn. The aspects of this feeling which are brought out in the report on telecommunications and computers to which I have just referred are in many ways frightening. I now suggest that many Canadian working people have gone through some frightening and frustrating experiences of lack of soul in the administration of unemployment insurance. The fact that we are now revising the act gives us an opportunity to deal with these shortcomings in a way which has not been possible for a long time. It is essential that we do so. We could develop the finest system of unemployment insurance benefits—on paper at least—that could be imagined; it could look perfect in its provisions, even to somebody like my hon. friend from Winnipeg North Centre, yet if the cheques did not get out of the computers and into the hands of the workers the whole system would be worth less than the paper on which it was written.

At least some of the working people in Canada, and, to my knowledge, a good many of the working people in my own constituency, feel so frustrated by the remoteness of the administration of unemployment insurance, so helpless when faced by these impersonal machines, that they have given up trying to get the benefits to which they are properly entitled. They say it is easier to go down to the welfare office and get social welfare payments. In fact, some of the workers on Vancouver Island have been doing just that.

I bring this up because going about my constituency during the recent recess I sensed strongly that this feeling had been growing to such an extent as to put the whole concept of unemployment insurance in jeopardy. The feeling has been aggravated by the introduction of computers into the system of administration, though it does not arise entirely from suspicion of the computer. I have here a file which dates back to 1967 when a policy of phasing out local unemployment insurance offices was inaugurated. I suppose that in my constituency there are some 70,000 people, many of whom may be subject to interruptions in their earnings to a greater extent than are workers in other parts of the country, yet there is not one properly qualified unemployment insurance claims representative in the whole constituency.

• (4:30 p.m.)

I have been raising this matter ever since this phasing out first took place. I have some letters that admit there were some bugs because it was something new, that assert that this business of handling claims by long distance would settle down and there would be no further problems. But these problems have kept recurring and recurring, and quite frankly all the answers I have been able to get in this House have simply been an attempt to smother the situation in soft soap. That is the only way I can assess the situation judging by results. The situation in this last winter has, if anything, been worse than before.

I do not know that I want to take the time of the House to read the kind of replies that I have received from ministers of labour and top administrative officials of the Unemployment Insurance Commission in Ottawa because the list is lengthy. I have some correspondence of more recent vintage which I will refer to, but I wonder what is the use of even bothering the genial Minister of Labour about this? Certainly, unless something a little more drastic happens than has been the case in the past when I have written to the minister or the commission or asked a question in the House, this situation is not going to improve.

I should like to make reference to an answer I received on a "late show" presentation in 1969. The Parliamentary Secretary to the Minister of Labour concluded his reply with these words:

> I assure you, Mr. Speaker, that persons living in Campbell River are receiving good and fast service from the Unemployment Insurance Commission, as is the case everywhere in Canada. However the commission will re-examine its operations in the area to determine whether it would be possible to expedite the system somewhat at periods of peak claim activity—

That is the kind of answer I have been receiving ever since 1967 about this administrative question. I did receive some more communications earlier this year. I have one from the secretary of the Port Alberni local of the IWA dated February 18, 1971. Part of this letter reads as follows:

> The number of calls that we have had for assistance are beyond numbering and I would guess that during the months of December and January there were telephone calls at our expense at least once every second day. In addition to those calls the Nanaimo Unemployment Insurance Commission office has co-operated in placing calls back to this office.

I want to make it very clear that I am not speaking in condemnation of the attempts that have been made by some people in the field to cope with this problem; it is simply that they have not been given the tools or the

direction to do the job. The letter I have just referred to was prompted, I may say, by an advertisement that appeared in the Vancouver *Province* for Thursday, February 18 last. It is headed "suburban Service for UIC Claimants" and goes on to list handy addresses where people can obtain "closer to home services" from the commission. Yet if one of my constituents has a problem he wants to discuss with a properly qualified claims officer of the commission, not one can be reached within less than 50 miles and most have to go a good deal further than that.

This letter goes on to point out that during the two previous months interviews, investigations and phone calls had taken up practically half the working day for one person in one local union office. It continues:

In other words, this office has replaced the now closed Unemployment Insurance office that used to be in Port Alberni. In addition to the technical problems at this end the new computer in Vancouver has just raised particular hell. Some legitimate claims have taken as much as two months to unscramble and there are still some being processed.

The letter then gives a detailed outline of the situation, and at the end of the letter there is a postscript which I offer to the minister for this consideration. It reads:

You can tell the Unemployment Insurance Commission people in Ottawa that we want some service for our members and if we cannot get it in the way that we have suggested then we have fully qualified stenographic help in this office and the UIC can give them a course of instruction, and help pay the cost of their wages for supplying a service that is legitimately the cost of the Commission.

I have another letter from what is commonly referred to in British Columbia as the Loggers Local of the IWA. Its offices are located in Vancouver but they serve a very wide stretch of territory in the logging industry. The letter talks of the particular conditions of the last winter. Normally, the office might handle 20 inquiries in the December 1 to January 31 period. The letter continues:

This year we have been besieged with more than one hundred calls. We obviously are not the only ones receiving complaints as it has been nearly impossible to make telephone connection with any of the numbers (listed and unlisted) that we have for various Pacific Coast U.I.C. offices. Many times we have had to resort to letters to try to find someone to provide some answer to a claimant's complaint. Even when telephone connection is made, it is a matter of days (or longer) before any kind of answer is provided.

The inquiries and complaints may be mainly divided into two groups. The first is the group that file and a month later have either received absolutely nothing or some who have received bi-weekly forms and a punched code card which indicates that no decision has been made in their claim. The second group are those who not only have a frustrating wait before anything is received from the U.I.C., but then they finally receive a letter or a punch code card "number 5" which advises them they have insufficient contributions. From their own knowledge and from our records, we know that the computer has been given erroneous information. The claimant is forced to go through a time consuming and often costly process of obtaining a duplicate record of U.I.C. contributions for the past two years. This again is time consuming and when finally completed and submitted (for the second time) to the U.I.C. office, he then commences the delay problem experienced by the first group.

The answers being provided to us by Commission officers are:

a) There has been a constant flood of claims

b) New staff hired are inexperienced

c) The Commission is using a new "faster" type computer

d) There is a lack of communication between the Commission Office and the separate computer centre. The Commission Office does not know what the computer is doing for (or to) a claimant.

The answers are no answer! They do not speed up the handling of claims for benefit. There is no evidence of feeding the computer the correct information the first time. What effort would it require for the computer to advise the Commission office what it is doing to a claimant's claim for benefits?

• (4:40 p.m.)

Then, the letter goes on to refer to the bulk system and what that has done as far as some of their members are concerned:

Our members are not only unhappy, they have been made angry by frustration. Many have been forced into financial hardship. This government has dangled a tantalizing carrot—a white paper on future unemployment insurance benefits—but has failed to even properly provide existing benefits. This government needs to be reminded that an unemployed person needs benefits when he is unemployed—he and his family cannot live on nothing. Retroactive benefits are not the answer after a man has used up his savings or gone into debt or his employment is resumed.

Attached is a list of details about particular claims problems. I have had occasions when problems have come to me directly. I have picked up the phone and called the regional office in Vancouver, as a result of which something happened. I know of one or two instances when people have communicated directly with the Minister of Labour about a particular problem. Probably he has picked up the phone and obtained results. The number of people who do that kind of thing is very small, and the number of people who should have to do that kind of thing should also be very small. This may not be a problem all across the country, for the minister has said, if I recall his statement correctly, something like 96 per cent of claims are being processed on time. I do not know whether that is a national average or that an analysis has been made of any regional or district average. I do suggest that when this type of situation develops after the commission has had from 1967 until 1971 to iron out the bugs in closing the local offices, there must be something wrong with the concept of administration.

I think this inhuman, depersonalization of the system is basically wrong and that perhaps some of the so-called efficiency experts who may have been engaged by the government or the commission to advise the administration on how to use electronic devices have overlooked what must be a very important factor in any insurance scheme operated socially or otherwise. I mean the ability of an individual claimant to have some kind of personal contact with someone who is fully qualified to discuss a particular situation and give proper advice.

One of the steps taken was the implementation of the program of so-called unemployment insurance agents. As far as I know, these people are not properly trained claims officers. From information I have they may be able to help an individual fill out an original form, but if there is any real problem they are not competent, trained or qualified, and do not have the communications facilities to deal with these problems.

Just as important as the terms and details of benefits to be provided under this act is the way in which this new unemployment insurance act is going to be administered when it comes into effect. It should be done in such a manner that the whole concept of insurance will be something the Canadian working force can be proud of and support. I hope the committee will fully assess this aspect of the matter during its meetings with members of the present commission and the minister when they appear before the committee. Unless this kind of situation I have tried to describe is given some attention, the whole scheme is bound, sooner or later, to crumble and fall to the ground. I am sure the minister would not want to see that happen.

Mr. A. D. Hales (Wellington): Mr. Speaker, this is one of the most important bills to come before this chamber in a long time. It is important because it affects 96 out of every 100 working people in Canada. Let me congratulate the minister upon the method he has chosen to bring such an important bill to the attention of the people of this country. He introduced a white paper which was referred to the Committee on Labour, Manpower and Immigration. At that time the committee heard many witnesses who gave their views on the contents of the white paper. The minister has now introduced the bill, and we are about to give it second reading in order that it may be returned to the committee for further study. I do not know what better method he could have adopted to make this information available to the people of Canada.

In order to keep my remarks in some sort of chronological order, I should like to deal with four points. Is Bill C-229 a welfare scheme or an insurance plan? I should also like to refer to the universality concept. I will then say a little about administration and the real problems that will be involved in this regard. Under that heading I will have something to say about the two weeks' waiting period. I will then refer to reasons for having the Department of Manpower, the Department of Labour and the unemployment insurance offices amalgamated as they used to be. The minister, by introducing such a bill is providing reason enough for having these offices united as they were in the past. What could be more related than an office dealing with a man out of work and an office paying him benefits? These are related problems. This Government separated these offices and the communication among them at the present time leaves much to be desired.

In the opening paragraph on page 103 of the Gill report, under the heading "Conclusions and recommendations", we find the following:

—we believe that a plan of unemployment insurance should be designed to take the first impact of unemployment and should be based on insurance principles—

We find the following in the next paragraph:

—insurance is indemnity for loss... the concern of unemployment insurance is to indemnify insured persons for loss of wages resulting from unemployment.

The report goes on to point out that a man cannot be said to lose what he never had. This was a reference to seasonal workers under the existing plan. If a man works from April 1 to December 1, and is normally idle during the rest of the year, it cannot be said he has lost any wages during his off season. It may well be that such an individual needs and deserves some form of income assistance, but that is not the role of a real unemployment insurance plan.

The Gill commission felt that the unemployment insurance fund should be confined to the payment of indemnity for wages lost as a result of the failure to obtain employment. I could continue to quote from this report but I think I have said enough to bring the thinking of the Gill commission to the attention of the minister. The report states further:

• (4:50 p.m.)

... the insurance concept has been pushed more and more into the background.

The plan is neither a valid insurance plan in its present form nor is it a socially desirable type of income supplement.

Is it a welfare or insurance plan? When I take a look at the bill and find that the following things can happen, I cannot help but think that it is a welfare scheme and not an insurance scheme. A person who has only worked eight weeks of the year can qualify for benefits. A person who had worked for a period of from 8 to 19 weeks could qualify, depending on national and regional unemployment rates, for benefits of 8 to 51 weeks. The benefits could be as high as $100 a week. It would be possible for a person to contribute as little as $15.80 to the scheme and draw out as much as $5,100. I should like to ask the minister if he believes this is actuarially sound and if so, whether it is an insurance scheme, a welfare scheme or a hand-out.

A person who works for 20 or more weeks in a year and loses his job could automatically collect three weeks benefits even if he returned to work the very next day. The amount could be as high as $100 a week. Therefore, a person could collect $300 even if he returned to work the next day. This is called an incentive to find work. I would say it is an incentive to sit at home. A person who was not looking for work could collect as much as $100 a week for three months and receive $1,200 in that period before the unemployment insurance commission would even attempt to determine whether or not he should be receiving benefits. He could collect $1,200 before the counselling service which is to be established would inquire into the problem and try to determine why he had not obtained a job. Under this bill, I understand it would be possible for a woman to work for eight weeks in order to obtain pin money. She could work during November and December in the Christmas rush in a department store earning pin money and collect $800 worth of insurance when laid off while her husband might be earning a salary of $15,000 or more a year. I ask you, is this a sound insurance plan?

When such things are possible, I hope the committee will examine this bill very closely. It would seem that by this bill we would be producing a work force with bad work habits. I believe I have said enough to bring before

the House the question of whether or not this is an insurance plan or a welfare plan.

Now, what about the universality concept? All of us have received letters by the hundreds from school teachers all across the country who complain about being included in this new plan. If the minister wishes to make this a universal plan, then I suggest that everybody should be included in it, even Members of Parliament if you like. If it is to be universal it should include all professions such as doctors, dentists and others. If there is to be universality, the plan should be applicable to all professions. If it is not to be applicable to all professions, then the teachers should not be included. We should not make fish of one and fowl of the other. They should be all treated alike and I believe the teachers have a very good argument. If they are to be forced into the plan, then they are right in saying all the other professions should be brought into it as well.

There is no provision in this plan to take care of the taxi driver, the self-employed person, or the man running the corner variety store who is struggling to make a living. He is not insured by this plan but is just as entitled to be covered as is anyone else, and perhaps even more so because he must slave away in an attempt to keep the wolf away from the door.

In talking about teachers I might mention that in my area, the Wellington County Board of Education area, I believe the figure in respect of the cost of insuring teachers is something in the area of $75,000, half of which, or roughly $38,000, will be borne by the school board. The only way this $38,000 can be raised is by taxing the poor property owners who are now burdened to the hilt with taxation. Now, by insisting on the teachers entering the unemployment insurance scheme we are placing an additional burden on these taxpayers. At a time when we are trying to relieve the property owners of extreme burdens we are about to add another burden which will virtually break their backs. We are close to that point now.

Each of the 1.2 million more people who are to be brought into the plan will have to pay, I think, $62 per year. Well, Mr. Speaker, I believe I have said enough about universality. If we are to have universality it should go all the way; if not, then we will have a real problem on our hands in respect of the teachers organizations.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order, please. It being five o'clock it is my duty, pursuant to Standing Order 40, to inform the House that the question to be raised tonight at the time of adjournment is as follows: The hon. member for Humber-St. George's-St. Barbe (Mr. Marshall)—National Parks—Bonne Bay—Letting of contract for survey work.

PRIVATE MEMBERS' PUBLIC BILLS

CANADA PENSION PLAN (PENSION INDEX)

AMENDMENT TO INCREASE PENSION TO FULL EXTENT OF INCREASE IN COST OF LIVING

On the order:

Second reading and reference to the Standing Committee on Finance, Trade and Economic Affairs of Bill C-34, An Act to amend the Canada Pension Plan (Pension Index)—Mr. Macquarrie.

Mr. Deputy Speaker: Order, please. I wonder if the Chair might apologize to the hon. member for Hillsborough (Mr. Macquarrie) before he begins his remarks by stating that it would seem to be incumbent upon the Chair to refer the hon. member for Hillsborough to the procedural difficulties in respect of the particular bill standing in his name. I shall ask the hon. member, and other hon. members who wish to do so, to assist the Chair in respect of the procedural point before a ruling is given. I might point out, however, to hon. members and to the hon. member for Hillsborough, that in a statement by Mr. Speaker of October 20, 1970 near the commencement of the present session of Parliament His Honour referred to this and other bills as bills in respect of which he had some doubt concerning their procedural acceptability.

I might read briefly from His Honour's statement at that time. He said:

> Another aspect of the matter is that there is an increasing tendency to include money provisions in private members' bills. Honourable Members know that the time honoured practice has been to include such proposals in the form of a private Members' motion rather than in a bill.
>
> In many cases in the past, in order to meet the convenience of honourable Members, the consideration of the Second Reading of such bills was entered upon. It seems to the Chair that such procedure is not good Parliamentary practice.

His Honour then went on to refer to several bills, including the one standing in the name of the hon. member for Hillsborough. Then, he continued:

• (5:00 p.m.)

> The Chair considers that in drafting of bills more care should be exercised to ensure that financial provisions are not included in such bills. When the aforementioned bills and any others which, on closer examination, appear to contain financial provisions are called for debate, I propose to examine the question of whether or not such bills are in order from a procedural standpoint.
>
> At that time hon. members who have sponsored these bills will have an opportunity to satisfy the Chair that the bills are in order from such standpoints before proceeding to a substantive argument about the merits of the bills.

In the light of His Honour's statement I would have to say to the hon. member for Hillsborough, as Mr. Speaker did some months ago, that there seem to be serious considerations about the procedural acceptability of this bill and that it would seem to be in conflict with the procedures in the Standing Orders relative to imposing a charge or impost. Therefore, I would like to invite the hon. member for Hillsborough and other hon. members who would like to assist the Chair to do so from a

procedural standpoint. I would ask them to confine their remarks at this point to the procedural argument as to whether or not the bill is acceptable. I will then make a ruling, and, of course, if I find the bill acceptable we could embark on the substantive debate.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I have been reflecting upon Your Honour's words and consulting authorities, both living and dead, in the weeks since.

Mr. Knowles (Winnipeg North Centre): Which were the more helpful?

Mr. Macquarrie: The words of the living ones were more readily accessible and more voluble. I base my right to proceed on the grounds that this measure, in fact, is not a levy upon the revenue of this country as set forth in the statutes of this country and in the Standing Orders of this House. If I believed that the enactment of such a bill did in fact appropriate a part of the public revenue, as understood by the statutes and by our rules, if I thought it was a tax or an impost, I would realize of course that we would require a recommendation to this House accompanied by a message from the Governor General. The pension plan fund is, however, not a part of the public revenue, nor is it funded by the collection of any tax or impost. Moneys are not public revenue, taxes or imposts merely because they are collected by or paid to a public officer of the government of Canada. What we have here is a measure dealing with contributions. In the government publication "The Canada Pension Plan", put out by Information Canada over the signature of the present Minister of National Health and Welfare (Mr. Munro) we find the following opening statement:

> The Canada Pension Plan, inaugurated in 1966, is a contributory social security program designed to provide a basic level of protection against the contingencies of retirement, disability,—

In other words, the moneys whereby a measure of justice would be given to the recipients of the Canada pension cannot be a result of a tax imposed by this legislative body, rather do they come from those funds which are contributed by the would-be pension recipients. I do not want to labour at length on this, but the whole discussion of the Canada Pension Plan in this House offers what I believe to be very helpful suggestions for underpinning my faith in the procedure upon which I am not engaged.

The resolution introducing the Canada Pension Plan reads in part:

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

Very clearly, the whole operation, administration and otherwise, once the pension plan has been set up as it has been for several years, is dealing with contributions. This is something quite different from the restriction which is placed upon us in this House in reference to taxes and levies of that kind.

I think that there may be some living authorities about us who might want to assist Your Honour on this point.

[Mr. Deputy Speaker.]

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I confess that I do not have the substantive material before me which I would like to have to assist you, but I simply wanted to comment, before you made your ruling on this, that the test is not simply whether the funds which make up the pension fund itself come entirely from contributions and therefore whether those funds would be used or disbursed in a different way. The test has to go beyond that to see whether or not in the implementation of this legislation further federal expenditures would have to be made by the government. If the result of an increase in benefits paid under the scheme is to cause in any way, directly or indirectly, an increase in federal contributions or federal administrative costs of that scheme or expenses by the government, which of course have to be drawn out of the revenue, then the legislation is repugnant without the proper recommendation from His Excellency.

That is a very general comment, but I confess that I do not have the details of the plan before me at present.

Hon. Marcel Lambert (Edmonton West): I recall that there have been discussions with regard to this point in the past and that there have been some rulings. If I may say with the greatest respect, some of them have been at the time rather confusing and, I think, erroneous in that if one examines the Canada Pension Plan there is not one penny's contribution from public funds to the administration. The act is very specific in this regard, that the contributions from individuals and from employers constitute the sole source of the funds plus the earnings on the loans made to provincial governments. These are the sources of revenue for the fund, and there is no provision whereby, if there is an increase in payments to any individual, whether by direct change in the scale of payments, this increase in payments to survivors would be chargeable to the Crown. It will not disturb ways and means one iota. Therefore, I put it to you that hon. members of this House are within their entire competence in putting forward amendments to a public act, such as the Canada Pension Plan Act, whereby the payment of benefits under the act may be varied, and that is all that the bill of my colleague attempts to do.

• (5:10 p.m.)

I invite any of the hon. parliamentary secretaries who may wish to attack this point of view to point out where in the act there is even one split penny that comes from the public purse and that has to be provided by ways and means. Therefore, since there is nothing whereby ways and means is affected, it is fully within the competence of hon. members, whether on this side or on the opposite side, to move an amendment to the act, and it does not require a recommendation from His Excellency nor a bill to be brought into the House by a member of the government.

Therefore, I put it to you, Mr. Speaker, that the point of order taken by the government representatives, challenging the competence of my colleague from Hillsborough in putting forth this bill, is not well founded.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, at the risk of indulging in a bit of repetition—and that has happened before in this place—I would like to emphasize the point that has been made by the hon. member for Hillsborough (Mr. Macquarrie), and just now by the hon. member for Edmonton West (Mr. Lambert), that the financing of the Canada Pension Plan is unique.

There are other propositions that are financed mainly by the contributions of people, for example, the pensions paid under Public Service Superannuation Act, but this one is even more strictly financed by those who contribute to it than any other. For example, in the case of the Public Service Superannuation Act the contributors provide the money out of which the pensions are paid, but the government provides the cost of administration. However, in the case of the Canada Pension Plan all of the administration costs are charged to the Canada Pension Fund.

As a matter of fact, if one will look through the estimates in the big blue book one will see, in the case of almost every department, some item that has to be the subject of a double entry so that every last penny that it costs to administer the Canada Pension Plan—including the salaries of those who work for the plan, including the rental of space, and all the rest of it—is charged to the fund. There is not one cent that is charged to the general revenues of the country.

I rely on my memory for what I am going to say for the next few minutes, and if I am found to be wrong I am sure somebody will draw that to my attention. However, I think my memory is pretty sound on this.

When the Canada Pension Plan legislation was brought in back in 1964—we dealt with it in 1964 and 1965—the government made the point that this was to be financed entirely by the contributors, namely the employers and the employees. Someone, therefore, raised the question as to why there was a Governor General's recommendation. My hon. friend close by says it was Mr. Nasserden, at the time one of the Conservative members from Saskatchewan. So, my memory is confirmed. The answer was that some government money would be needed as a loan initially to get the plan started, and it was only because there was some money needed in that first year that a Governor General's recommendation was required at all. To show how clean its skirts were, the government drove home the point that once the plan got going the government would not be out one red cent, or a cent of any other colour, and that the entire financing of the plan would be paid for by the contributors.

As I say, I am simply repeating what my two hon. friends nearby have said, but I think it applies with particular force in relation to this bill. Therefore, if my hon. friend from Hillsborough is merely proposing that which involves some other use of the funds that are in the Canada Pension Fund, in order to escalate pensions by more than 2 per cent per year, it seems to me he has the right to do that.

If I recall correctly, Sir, you were in the Chair in committee of the whole on March 30 when I moved an amendment having to do with the Public Service Superannuation Act. My amendment sought to establish the proposition that certain reductions in the pensions of public servants who retire early should not take place.

Mr. Francis: I remember that.

Mr. Knowles (Winnipeg North Centre): My hon. friend from Ottawa West says he remembers it. I would expect him to remember that day. It was argued against my amendment that it was a charge on the treasury. I argued that it was not, that any extra money was to be drawn from an account, and I emphasize that I used the word account, not fund, but that the real test was that to put this amendment into effect would not require an additional vote of any money whatsoever. Your Honour found that amendment to be in order. In all fairness I should say you admitted that the point was not completely clear, but your initial reaction was to rule in favour of it and even after argument—I make the point that it was after argument—you ruled it was in order. It was then put to the committee of the whole. Later on, it was put to a vote. Unfortunately it was voted down, but for procedural purposes it stands as a precedent.

Now, I double back for a moment to make the point that in the case of the Public Service Superannuation Act, although the moneys that are used for the paying of pensions come entirely from the employer and the employees, the administration costs in that case are paid by the government, but in this case they are not—not at all. And I submit, Sir, that if you were right on March 30, as I think you were, in ruling my amendment to Bill C-207 in order, you should follow suit and rule this bill in order today.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I wish to join briefly in the arguments that have been presented to Your Honour and to recall some of the wording in the resolution that was presented to the House when the Canada Pension Plan was introduced on October 28, 1964. But before I read portions of the resolution, I agree that up to that point the moneys had been spent by government departments with reference to the setting up of the plan, particularly with reference to the studies that had preceded the setting up of the plan, in that very special sense, involved an expenditure of tax moneys, of Her Majesty's revenues, in relation to that legislation. These moneys had to be spent so that the expertise established for publication of these ideas could be incorporated into the Canada Pension Plan itself.

• (5:20 p.m.)

As the hon. member for Winnipeg North Centre (Mr. Knowles) has recalled, the then member for Rosthern raised with the prime minister of the day the question of why there should be a resolution when the Canada Pension Plan was to pay its own expenses. There were exchanges between them, and perhaps I should read what the prime minister said then:

> The fact is that it will cost some money to get this plan into operation, as my hon. friend must know. Afterwards, when the plan is in operation, the expenses will be borne by the fund.

I therefore suggest, Mr. Speaker, that the resolution that was brought in then was really for the technical

purpose of covering the expenditures borne by the Crown up to that point, to get the plan assembled, to have the expertise available before all these ideas were put into the Canada Pension Plan legislation. Thereafter the plan was on its own, as it were. Indeed, when I read that part of the resolution Your Honour will find that the plan was required to pay back all these expenses that had gone into the formulation of it.

With that as a rather long preamble, here is the resolution that was presented to the House on October 28, 1964. I shall not read it all, but I shall read the pertinent parts. It begins:

> That it is expedient to introduce a measure, to be known as the Canada Pension Plan, to establish in Canada a comprehensive program of retirement pensions payable to contributors;

Then, there is reference to supplementary benefits, widows, orphans, the disabled, co-ordination under the Old Age Security Act with benefits payable under the Canada Pension Plan, and then these words:

> —to provide for the adjustment of pensions and other benefits in line with increases in earnings and the cost of living;

You will note there is no reference to any ceiling there, Mr. Speaker. Reading further, and I think this is important:

> —and to provide further that all expenditures under the Canada Pension Plan, including cost of administration, shall be financed from contributions by employees and employers and from contributions by persons in respect of self-employed earnings.

I simply reinforce the statement of purpose mentioned to Your Honour by my colleagues this afternoon. Perhaps before I sit down, however, I should make this further point: the legislation having been altered by the very sensible amendment of the hon. member for Hillsborough (Mr. Macquarrie), when at any stage could the trustees of the Canada Pension Plan come back to this Parliament and demand money for the operation of the plan? When could there be any requirement whatsoever that so much as one red, black or blue cent of public money be put into its operation? I suggest you could look from one end of the plan to the other, whether in its present form or, hopefully, as amended by the hon. member for Hillsborough, and not find any such obligation.

I would respectfully suggest to your Honour that it would work a hardship on the backbench members of Parliament if a very narrow construction were placed on the rule about the introduction of measures calling for expenditures. I think, first, the rule would have to be pretty severely twisted to cover the circumstances that arise in the bill of the hon. member for Hillsborough, but in any event it would be a most narrow and unfortunate construction if the Chair were to say that this bill was outside the competence of a private member.

Mr. Deputy Speaker: I should like to thank hon. members for their assistance on this procedural point. As has been pointed out, it is one that is not without much difficulty. Certainly, as the hon. member for Winnipeg North Centre (Mr. Knowles) has pointed out, the acceptance a few weeks ago of an amendment with respect to the superannuation fund legislation might be parallelled to the bill we have before us. At that time I indicated I had some very serious doubt as to the acceptability of that particular amendment. There is a difference however, and if hon. members want to make supplementary arguments I would be pleased to hear them at the risk of taking the time of the House. I have a further problem with the bill now being considered by the House and that is with respect to clause 3 of Bill C-34 which refers specifically to expenditures as follows:

> Expenditures under this act shall be provided under section 104 of the British North America Acts, 1867 to 1970.

My main confusion in this respect arises from the use of the words "expenditures under this act".

Having indicated this very serious further concern that I have, I will not base my ruling on it. It seems to me that the whole problem revolves around the question of whether the contribution, voluntarily or involuntarily, constitutes an impost as understood by the provisions of our financial practice or by the terms of our Standing Order 62. All hon. members will agree that we must start from the position that financial expenditures are to be provided as described in the words of Standing Order 62 (1). The Standing Order reads as follows, in part:

> ... for the appropriation of any part of the public revenue, or of any tax or impost, to any purpose that has not been first recommended to the House by a message from the Governor General in the session in which such vote, resolution, address or bill is proposed.

The provisions of Standing Order 62 refer specifically to imposts without defining, in particular, what should be considered as an impost.

It seems to me that Bill C-34 must be construed to be a measure to appropriate a part of the revenue obtained by way of an impost. It would be imprudent, I suggest, to contend that such contributions are voluntarily and generously proffered by all working Canadians. In other words, contributions to the Canada Pension Plan are indeed an impost or levy, required to be paid under the provisions of the plan.

In conclusion, it might be helpful were the Chair to read the provisions of citation 8 of Beauchesne's Fourth Edition which read as follows:

> 8. (1) The proceedings of the Houses (Senate and Commons) are governed by statutes, by rules and orders adopted by themselves, and by those usages which have grown up in the course of time and consequently become a part of their own practice or are derived from the common law of Parliament by which they have consented to be guided in all matters of doubt.
>
> (2) The usages of Parliament are to be collected from the entries in the Journals, from the history of parliamentary procedure, from the treatises on parliamentary practice that have been published from time to time; and from the observations of experienced members, and the remarks of the speakers in the House of Commons, with relation to the forms and methods of proceedings, as contained in the published debates.
>
> (3) "In the interpretation of the rules or Standing Orders, the House is generally guided, not so much by the literal construction of the orders themselves as by the consideration of what has been the practice of the House with respect to them."

I suggest to the hon. member for Hillsborough (Mr. Macquarrie) that the Standing Orders and the financial practice of this House present an insuperable barrier to

his proposed bill, and the established practices of this House and the Standing Orders dictates that the Chair must rule that Bill C-34 should not be proceeded with at this time.

• (5:30 p.m.)

Mr. Knowles (Winnipeg North Centre): Six o'clock.

Mr. Deputy Speaker: Is it agreed that it shall be called six o'clock?

Mr. Knowles (Winnipeg North Centre): We might as well.

Some hon. Members: Agreed.

At 5:35 p.m. the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT, COMMISSION, BENEFITS, PREMIUMS, ADMINISTRATION, ETC.

Mr. A. D. Hales (Wellington): Mr. Speaker, when the House proceeded to private members' business at five o'clock I had just commenced my remarks concerning Bill C-229 respecting unemployment insurance. I had indicated the four areas I hoped to cover and I had dealt with two of them—first, whether this was a welfare scheme or an insurance plan and, second, the question of universality. I should now like to deal with the third point, which concerns the administration of the proposals contained in Bill C-229.

Administration is an area in which there is likely to be considerable trouble. First of all, I can visualize the difficulty administrators will encounter in explaining the need for a two-week waiting period. As you know, Mr. Speaker, under the present plan there is only a one-week waiting period. Even so, each member of this House has had unemployed people contact him to say they have survived the waiting period but were still waiting for a cheque; their money had all been spent and they needed groceries; they were in great need of these cheques, but for some reason which was not apparent to them the cheque had been held up.

One can readily understand what hardship the proposed two weeks' waiting period is likely to impose. People are likely to say: We paid into this plan and therefore we expect payment immediately. They were satisfied to wait one week, but they are not likely to take kindly to the idea of waiting two weeks. Perhaps the committee will give further thought to this feature of the legislation.

Then there is the question of the way in which earnings are to be defined. This is a far-ranging issue and a considerable problem has arisen in this area under the

terms of the present act. I have in mind the situation likely to be encountered by a man who is a part-time farmer, working in a factory—perhaps he has a farm of 50 or 100 acres—who is laid off at the factory at a time when he has agricultural products for sale. The valuation of these products, as income for purposes of the act, has always caused a great deal of difficulty, and for this reason I hope the definition of "earnings" will be spelled out in the regulations in a fair and equitable way.

Also, I wonder how this legislation will apply to people who have completed an adult retraining program of 25 weeks or so, who have passed the course and are ready for a job. If there is no job available in which they can use their improved skills, will they be eligible for unemployment insurance benefit? Situations of this kind have caused difficulty under the provisions of the existing act.

Administrative confusion is likely to be caused by provision for variation depending upon the national unemployment level. If the national level of unemployment stood at 4 per cent or lower, ten weeks' benefit would be available to insured persons; if the national rate were between 4 and 5 per cent, workers would be entitled to 14 weeks' benefit, and if the rate rose above 5 per cent they would be eligible for 18 weeks' benefit.

Can hon. members visualize administering this bill under those provisions? Suppose the Dominion Bureau of Statistics said today that the unemployment rate was 4 per cent: the fellow who put in his application for unemployment insurance yesterday would be eligible for 10 weeks benefit, but those who apply tomorrow would be able to draw 14 weeks' benefit. This illustrates the difficulty which arises when one establishes a dividing line. We have experienced this difficulty in connection with other legislation. In this case I can visualize chaos within the Unemployment Insurance Commission offices under the new provisions which rely on the percentage of unemployment to determine the number of weeks for which a worker is entitled to benefit. This is a nightmare that the administrators will have to wrestle with unless the committee decides to make a change to this part of the bill.

• (8:10 p.m.)

I should like to say a word or two about why these two departments should be one department, as they were previously. I refer, of course, to the Department of Labour and the Department of Manpower and Immigration. The Unemployment Insurance Commission used to be in charge of the national employment service. People who were unemployed went to one of the NES offices to register. In the same office the decision was made whether they were eligible for unemployment insurance benefits. There was close liaison between the two branches. After all, what could be more closely related than a man out of work and a man seeking employment or unemployment benefits?

There is an Unemployment Insurance Commission office in the centre of Waterloo, near where I live, and this office covers a radius of about 100 miles. The staff is responsible for seeing that people in this area who are unemployed are paid benefits. The Manpower offices in

other centres try to find them a job. The staff of the Manpower office may send a worker to a job similar to what he had before, but if he is not accepted or if he turns down the job, the Manpower counsellor has authority to decide whether or not this person should continue to receive benefits. He makes out a form and sends it to the Unemployment Insurance Commission, which thereupon rules on eligibility for benefits.

In many cases this is not being done. I had a case where a man was on unemployment insurance benefits for ten months, no effort being made either to find a job or to ascertain whether he should still receive benefits. There are many cases of people being sent out to take jobs which they refuse to take and their benefits continue to be paid. In some cases the counsellor in the Manpower office—who of course is extremely busy because of the high unemployment rate—takes a week to fill out the form, and the Unemployment Insurance Commission office, which likewise is busy, takes another week to process the form. This means that the man in question receives two weeks' benefit to which he may not be entitled.

This matter was brought to the attention of the House by the Auditor General, who on April 6 appeared before the Public Accounts Committee which at that time was examining the affairs of the Department of Manpower and Immigration. As reported in the minutes of the Public Accounts Committee for that date, the Auditor General said that in 1969 he had sufficient staff and time to audit the books of only 14 out of 254 Manpower offices. Last year, 1970, his staff had the opportunity to audit only 33 offices out of 338.

What did the Auditor General find as a result of these audits, Mr. Speaker? He found that as a result of lack of communication between Manpower and Unemployment Insurance Commission offices $3 million in benefits was paid out to people who should not have received that money. And this after auditing only 33 out of 338 offices! Had the books of all the offices been audited, I wonder what the final figure would have been. Reading through the minutes one sees what a great old American game of pass the buck has been going on between the Unemployment Insurance Commission staff and the staff of the Manpower offices. There is not the liaison between these two offices that there should be. In view of the new bill that the minister has introduced, I am sure he will realize that sooner or later these two offices must be joined together. This is all the more important in view of the projected national unemployment rate as a basis for determining the number of weeks eligibility for benefit.

I should also like to ask the committee that will study this bill to examine the counselling provisions. As I understand it, the Unemployment Insurance Commission will hire many counsellors to interview people who are unemployed for a certain time in order to ascertain why they have been unable to find employment. The counsellors will probably tell these people to go to the Manpower offices. This is another reason why the two departments should work hand in hand. Perhaps they will tell unemployed people to see a welfare officer because this is in the nature of a social assistance plan. However, I can see the staff of the Unemployment Insurance Commission increasing markedly with the employment of hundreds of counsellors. This is added expense and the administration of this new plan will get out of hand.

Before concluding my remarks I should underline the fact that this new bill makes no provision to deal with the following situation: I have always thought that there was something radically wrong in principle with the unemployment insurance plan. To explain what I mean, let me give an example. Suppose a carpenter becomes unemployed and applies for unemployment insurance. According to the act as I understand it, an unemployed worker must be referred to similar work and pay. In the case of a carpenter, in other words, he must take a carpenter's job. If no such job is available to him but there is a job available pumping gas, the carpenter has the right to refuse that job and to take instead the $100 a week that we are now proposing to pay. I contend that the principle that a physically able workman should take any job available, providing the pay is reasonable, rather than collect unemployment insurance, is a sound one.

I hope that this new Unemployment Insurance Act will bring a new approach to unemployment insurance. I hope that fraudulent practices will become a thing of the past. I hope greater efforts will be made to apprehend those who receive benefits to which they are not entitled, and that they will be dealt with accordingly. As I say, I hope the new act will introduce a new concept of unemployment insurance. I am glad the minister has taken care of one point that I am sure every member of the House has had brought to his attention.

• (8:20 p.m.)

People have said to me, and I am sure to many other members, that they have paid into the unemployment insurance fund all their lives and should be entitled to something. This has been one of the greatest areas of criticism and objection to the system. In order to get something from the fund, some of these people avail themselves of various means. The minister has now said, as laid out in this bill, that when a person reaches age 65 and is receiving the Canada pension he will be given a three-week lump sum. This could be a maximum of $300 or graduated down according to the individual's income. This is a wonderful thing, because those who have paid into the fund will get something out of it.

I close by saying that the bill has some very good and some very poor points. I will find it very difficult to support it in its present form. I hope the committee will amend the bill to change some of the areas which involve welfare rather than insurance. If that is the case, I will be happy to support the measure.

Mr. Jim McNulty (St. Catharines): Mr. Speaker, I am pleased to speak in support of a bill that I consider to be one of the most significant pieces of social legislation in our country's history. It ranks with similar measures which have been introduced by Liberal governments—measures designed with one purpose in mind, to improve the situation of the individual Canadian.

With the introduction of this new legislation, affecting as it does the lives of millions of Canadians, a new philosophy has become evident in the policies governing unemployment insurance. It is a philosophy of meeting the realities of life in Canada with far reaching and flexible programs designed to meet the individual needs of the men and women who make up the work force. One of the more forward-looking features of this new plan for unemployment insurance in Canada is the introduction of the claimant assistance program. Its aims are simple, easily expressed and understood, yet of such far reaching importance that its role cannot be underestimated.

Others in this debate have brought our attention to the fact that a temporary interruption of earnings can occur in almost any work situation. In short, seniority, good work performance and the nature of your profession are no longer adequate insurance against this contingency. In addition, you have been made aware of the meaningful steps taken to increase the benefits to expand the ease of access to the plan and the provisions for extended benefits in the face of adverse economic conditions. All these things represent tremendous improvements in the legislation.

I should like to say a few words, however, on a feature of the plan that represents not simply more of the same but, rather, a fundamental addition to the services available to individual Canadians through the unemployment insurance device. I am referring, of course, to the claimant assistance program or interview system. Through this procedure every claimant, who has been unemployed for more than eight weeks will be asked to participate in at least two interviews designed to motivate and inform him in respect of his personal search for employment.

In essence, the primary objective of the claimant assistance program is to provide information and assistance to claimants in order to help them find employment. With almost 97 per cent of all Canadian workers being included in this new unemployment insurance plan, it is well suited to assist claimants since an unemployed individual's first contact with government at any level is invariably through the Unemployment Insurance Commission.

The claimant assistance program can aid a claimant to develop and carry through an effective job search plan. It can also direct him to the wide range of Canada Manpower programs which are now available and, in many instances, toward other social development programs which are designed to meet specific individual needs. In order to meet this considerable responsibility, the new claimant assistance program will provide a much needed liaison between the Unemployment Insurance Commission and other government departments, agencies and programs. This will provide better and more efficient working relationships and co-ordination of effort to provide the claimant with the assistance he needs in the form of job search techniques, labour market requirements, retraining programs and social development services which may apply to his situation.

Research projects which have been conducted in several communities have indicated the worth of a service dedicated to examining the root causes of a man's unemployment problem and providing concrete, helpful answers. For instance, in one case a mechanic found himself out of work: in an interview with a claimant assistance guidance officer, he disclosed the fact that while he had been offered employment, he was unable to accept it because his tool-kit had been stolen. The guidance officer was able to put him in touch immediately with an agency which could assist him by providing the required tools. That man went back to work happy.

In another instance a claimant, driven to distraction by financial worries, pointed out that even if he got a job he was faced with other problems. His family was due to be evicted that day. A telephone call from the guidance officer to a most understanding and co-operative landlord soon removed that worry. The man went back to work. While these are isolated, personal problems afflicting just two people, the record is full of instances where material assistance offered by trained and competent people has materially assisted a man's or woman's return to employment far more quickly than in the past.

The claimant is invited to a personal interview, to review his case, with a guidance officer of the Unemployment Insurance Commission. During that interview every effort is made to develop the claimant's interest in solving his employment problem. The claimant's skills and experience are explored and steps are taken to sort out reasons which may have contributed to his unemployment. If the claimant is in fact available for work—and as hon. members know, some of them are not—a job search plan is developed to meet his specific needs. In addition, referrals are made to job training and placement agencies such as Canada Manpower centres and other social development agencies where requirements for this type of assistance are identified.

If the unemployment continues, the claimant is requested to return for a second interview. At this time the claimant and the guidance officer jointly review both the information and guidance provided to the claimant during the first interview, how well he had used the information given him and whether he had taken advantage of the different services to which he was referred. A search is carried out to discover causes for his unemployment, which may not be readily apparent, and to develop a new job search plan tailored to the claimant's needs. It is hoped this new service will materially reduce the length of time a claimant is jobless by promoting a far quicker return to full-time work. From research studies, there are strong indications that this can be accomplished by a more personal and direct approach than has been used in the past.

May I emphasize and underscore the fact that this is not some sort of a critical, carping police action designed to keep people in line. The Minister of Labour (Mr. Mackasey) has made it quite plain that what occurs between the guidance officer and the claimant is privileged and every claimant interviewed will be assured of this fact. If in the course of an interview an irregularity is discovered in his claim, his attention will be drawn to that point and he will be advised that it is his responsibility to make the facts known. The officer conducting the interview cannot assume the individual's responsibili-

ty: what the claimant does is up to him and his conscience. Such a program geared to modern day conditions represents, I believe, one of the more forward steps taken by any government in dealing with human problems on a human level.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, at a time when unemployment has reached appalling levels, everyone must rejoice at any improvement in the plight of the unemployed. That is why the system put forward by Bill C-229 seems to be effective, at first sight, particularly because the unemployed will be able to receive increased benefits more in keeping with their needs.

But finally, it is realized that the proposed system can only work over a short period, in view of the federal government's present policy. Should the government persist in the belief that inflation can only be curbed through unemployment, the unemployment insurance system will become inadequate, because the number of unemployed will be too great.

• (8:30 p.m.)

It can be seen that the unemployment insurance plan works fairly well when it is a matter of seasonal unemployment or of unemployment of short duration, or when the number of unemployed is not high. However, when the unemployment rate reaches a high level, as it does today, the plan becomes deficient and inadequate. In spite of that, the government has decided to deal with the problem from the standpoint of benefits, that is in a superficial manner.

By increasing the benefits and extending the benefit period, the government believes that it has solved the problem. The government could be right, if there was a decrease in the unemployment rate, but, on February 23 last, the President of the Canadian Labour Congress, Mr. Donald Macdonald, stated that, because of the government's present policy, unemployment would last for several more years.

In the newspaper *La Presse* of Monday February 15, it is reported that Mr. William A. Dyson, president of the Canadian Welfare Council and member of the Castonguay Commission stated that the rise of unemployment could become a permanent phenomenon in our society. He added and I quote:

> Apparently, the level of unemployment is not as important as it used to be, since production is increasingly dependent on industries, businesses and services using machines and computers.
>
> Consequently, the means of production and wealth derived therefrom make the producing mechanism less and less dependent on workers, managers and experts.
>
> There is no doubt that we are now witnessing a deep economic alteration. The machine is now liberating the man of tomorrow from an incredible number of menial tasks. However, while being liberated, he becomes unemployed. We know that problems are appearing much more quickly than legislation is improving.
>
> Consequently, the thriving community must ask itself how it should provide for the needs of those who are no longer useful in the productivity process.

The hon. Minister of Regional Economic Expansion (Mr. Marchand) stated recently that the high unemployment rate was no cause for alarm, that it was normal. This means that the services and recreation are and will be more important than ever. But instead of tackling the whole problem, the government divides it into various areas: unemployment insurance, family allowances and heaps of other things so that it is impossible to find either a challenge to work or any improvement of recreation which would normally tend to increase the quality of life. So the government offers a solution to an immediate problem rather than an adequate solution that would encompass the future.

As neither the present government nor any traditional political party seem willing to accept valuable solutions in matters of unemployment, namely monetary solutions, it follows that the present system which is split in layers only takes care of particular cases and disregards general needs. For this reason, the various plans and programs, that is, family allowances, unemployment insurance, old age security pension, are far from being integrated and what we have been suggesting for years is to integrate all these plans into one aimed at providing a vital minimum, which would help solve all the problems at the same time. This is a plan which was accepted in principle at the Liberal conference of last fall, but which the federal government has not deemed proper to translate into a policy.

Following the rejection of such a policy, this government has kept on introducing white papers and legislations which do not deal with the basic problem but which somehow are more or less popular because they improve conditions in a particular field.

Since we must consider a specific bill and since this is not a comprehensive policy, as it should be, I should like to pass on to the analysis of this legislation. It would appear, in this great legislation, that contributions are required even from those who, apparently, enjoy security of employment, that is teachers, federal public servants, etc. This means that benefits higher than those of the present system and extended benefits will be paid for by the contributions of those who will never need them, so that 96.3 per cent of the Canadian labour force will participate in the unemployment insurance plan. Such a scheme seems far from the original principles according to which nobody was supposed to contribute among those who were not likely to be out of work, and benefits were indeed paid for by contributions of the unemployed themselves, the government and employers. Thus the new system would become a welfare scheme, something which was consciously avoided at the beginning.

Suppose we agree that those who have job security must participate in the unemployment insurance. How come then federal public servants are included under clause 3, on a mandatory basis, while provincial civil servants are not necessarily covered? If the principle applies to one of the categories, there is no reason to make a difference between them.

Besides, if almost universal contributions are required, why impose a ceiling on contributions, so that those who earn but a low income should maintain the system while those who are better off pay only a small portion of their income?

Still, even if the unemployment insurance plan becomes a welfare scheme, the benefits still depend on the contributions of the taxpayers; they do not effect those who have not contributed long enough, that is, those who are seeking employment for the first time and cannot find any, which is the case for most young people. Those unemployed must turn to welfare, whatever form it now assumes.

It is easy to see how abuses are perpetuated by the system. For instance, the Toronto *Globe and Mail* dated March 16 criticized the government for having used the individual as a basis instead of the family: the income of the individual is taken into account, and not that of the whole family. To my mind, if the system is to be fair, the realities of life—and the family is one of them, should be considered.

I therefore think it timely to mention, although I am not particularly expert in that field, that clause 44 of the bill seems to me most unfair because it tends to benefit the employer. Clause 44 deals with a stoppage of work during which a claimant is entitled to benefits.

That clause applies also in the case of strikes or lock outs. Although I recognize that no parties should be subsidized in a labour dispute, I cannot imagine how the two situations are similar.

In the case of a strike, workers go on strike knowing that they will get no income during that strike; it is their choice. But when it comes to a lock out, the situation is altogether different. Employees would be deprived of their benefits in spite of the fact that it is the employer who is the actual cause of the work stoppage. They would really be unemployed, but not receiving benefits, although they have paid their contributions. This does not seem fair at all, as the employer would enjoy a considerable advantage in an industrial conflict created by himself.

Accordingly, I wish to suggest that the application of clause 44 be restricted and not extend to cases of lock out.

In my opinion, a lock out is tantamount to a lay off. The employee takes no part in the employer's decision, which deprives him of his income for the duration of the lock out. In such a situation, an employer would have nothing to do for his employees to agree with his requests. He could use the unemployment insurance system in a negative way.

So, I suggest that application of clause 44 be restricted to a strike as defined in the Industrial Relations and Disputes Investigation Act.

Another important point, in my opinion, to suggest to the minister who sponsors this bill, has to do with regulations. The act is one thing: it is a step towards legislation, and regulations are another. To qualify or, as we say, to be entitled to benefits, present regulations provide that the most recent period, that is the last 24 months elapsed before the filing of a claim has to be the qualifying period for regular or seasonal benefit, whatever the case may be.

Now, with respect to workers or persons that already have paid in their contributions to the Unemployment Insurance Fund, there are exceptions but I will indicate only two of them. The two-year period may be extended, for instance, in the case of a person having been self-employed and, secondly, in the case of a Canadian who has been imprisoned. I have nothing to say against the people who devised those regulations but in my opinion, it is not normal that some people should be so readily deprived of their rights. Among these people, I might mention our soldiers' wives who have to accompany their husbands to every corner of the earth.

Since the military camp of Valcartier is situated in the electoral district of Portneuf, I met some of the wives who were really dissatisfied with this system. In fact, after having contributed to the development of our economic life through regular work in a Canadian industry, or office or elsewhere, these people who often paid their contributions to the Unemployment Insurance Fund during three, four, five or even seven years accompanied their husband to Germany or elsewhere; on their return to Canada at the end of two years or more, several of them able to return to work are forced to remain idle because their employers have replaced them, or else because Canada has few opportunities to offer at the present time. Therefore, they go to Canada Manpower Centres where they are made to understand that they have lost their rights since a period of two years has elapsed between the time they paid their contributions and the filing of a claim.

Therefore, I would ask the minister to kindly reconsider this point in order to bring the necessary changes so that the views of military men may be eligible for the same benefits that some Canadians have accrued while they were in prison. It is not a privileged treatment but, in my view, the wives of military men deserve as much consideration as the former inmates of a prison.

Also, under this bill, the government proposes to make more flexible the insurance periods that would entitle the unemployed to benefits. And this period would be based on the unemployment rate. I am seriously concerned by this procedure, and so should be those who are going to be victimized by its implementation. In my view, the legislation should specify the areas and the rates of unemployment concerned. The bill is not clear enough in this respect as it stands now.

• (8:40 p.m.)

Since several of the Commission's offices have been transferred over the years from rural areas to urban centres, it might happen at a given time that some areas with a high number of unemployed should cease to be considered as separate entities since they would be confused with urban areas where the economic situation is somewhat better.

The small offices have been closed down under the pretence that centralized service allowed for higher quality. But since this kind of operation has been launched, the many complaints I have received from some of my constituents clearly evidence the fact that the results have not lived up to the promises. Various points should be taken into account, such as the length of the qualify-

ing period. So far, that is under the present act, the waiting period was of one week only and it is now proposed to extend it to two weeks. This is sheer nonsense if you consider the increase in the cost of living and the immediate needs of all Canadian families.

As to disqualification notices—another point I wish to deal with—the Commission should spell in bold type that the claimant may appeal the decision and submit his case to the arbitration board, and this at no cost to him.

Unfortunately, under the old legislation, the invitation to excluded unemployed people to put their case before the board of referees did not appear most of the time on the forms. In other cases, it was on the back of the form but in very small print.

To me, the Unemployment Insurance Commission in this regard could unfortunately be compared to bad insurance companies whose contracts are drafted in such a way that they can pay as little compensation as possible.

We know that in many fields the government was remiss about its responsibilities. Since many workers are unemployed at the present time and former employers are not there anymore we must more than ever reconsider the eligibility to benefits for certain employers in adverse circumstances following the failure of their concern. Those people were once considered as employers since they were employing workers and on account of special circumstances their firm became unprofitable. After having contributed to the Unemployment Insurance Fund as employers, they cannot get any benefits.

We know some of those former employers who contributed largely to the Unemployment Insurance Fund since its foundation and who are now facing serious problems.

Since all members are eligible to a pension after a few years in Parliament, even after defeat, it would be logical to afford real protection to all those who helped to build this country as we know it today.

I should like to deal also with the problem of many workers who are not eligible to unemployment insurance benefits because they worked for several employers. Among those people we find carpenters, labourers, painters and craftsmen of all skills who, at different times, have participated in various kinds of works. In my opinion, we must find a means whereby those people can prove that they have worked over three, four or six months.

In our upside-down system, the Canadian people and mainly the unemployment lack everything because there is too much of everything. Those who went through the recession period of 1929 to 1939 are still convinced that our system is absurd. The fact that the planners and researchers hired by the government over the last 30 years have not yet found the causes of unemployment nor permanent remedies is enough, I think, to incite the young people to proceed to a true personal analysis of the present situation and of the solutions put forward by the members of the Ralliement créditiste.

It is true that this bill makes a lot of publicity for the government since it provides for the possible payment of

$100 in weekly benefits but we know quite well that the number of unemployment that will get this amount will be quite limited.

Also about this new legislation on which new regulations will be based, I only wish one thing: That all the unemployed be included. In fact, their problems are complicated enough already without their having to suffer from the ill effects that usually accompany the initial implementation period of any new legislation.

Mr. Speaker, I will conclude my remarks while reserving the right to make further comments and possibly propose amendments at another stage of this debate.

[*English*]

Mr. Norman A. Cafik (Ontario): Mr. Speaker, since the publication of the white paper on unemployment insurance I have received a great deal of correspondence and communication from the people in my riding expressing their concern with the contents of the white paper. I must say that the vast majority of conversation I have had with my constituents supports the general principles outlined in that document.

I would like to review some of the issues that have been discussed in respect to Bill C-229. Many have expressed concern that the proposed plan would remove the concept of mutual insurance under the present plan in which there is an entitlement of one week's benefit for every two weeks attachment to the labour force, to a maximum of 52 weeks of benefit. This concern would appear to be based on the mistaken assumption that insurance principles require benefits to be related more to the number of contributions made than to the loss against which they are insured. In fact, I suggest that the opposite is the case, since the first premium normally provides complete and immediate protection.

• (8:50 p.m.)

With this philosophy, neither fire, life nor automobile insurance is true insurance. In this context, the proposed plan adheres more to insurance principles than the present act. Duration of benefits will be determined by the time needed, based on statistical probabilities, to become re-employed, and not to the previous number of contributions which is not relevant to the earnings loss being experienced. Of course there will be some people with only eight weeks of contributions who will draw up to 44 weeks of benefits, just as there are those who after one or two premium payments will collect for a fire loss or a damaged automobile. This is a normal insurance situation.

Others have criticized the proposed plan as moving away from insurance and closer to welfare. I think the opposite is closer to being true. Benefits are still related to previous earnings and not to need, as with welfare, and in the case of welfare there is normally a means test. In this case there is none whatsoever. Further, the present act includes several welfare aspects which will now be eliminated. These were added since 1940 and ignored the basic insurance principle that only a small percentage in any group of contributors will in fact become beneficiaries. They include the payment of benefits to those in

seasonal industries, and special coverage for self-employed fishermen. These two groups invariably collect benefits in the off-season. For example, self-employed fishermen collect benefits equal to about nine times the premiums contributed. This situation is rectified in the proposed plan by eliminating seasonal benefits and by eventually replacing coverage for self-employed fishermen with a plan designed specifically for them.

Furthermore, where an extended duration of benefits is required because of local or national conditions of unemployment, it is recognized that this cannot be insured in the normal way and that the cost should be borne out of ordinary tax revenues. Economists generally agree that in times of high unemployment this injection of capital through the spending of individuals is the best way to stimulate the economy and that it is logical that such cost should be met from general revenues.

Then there is the argument, on the basis of an apparent misinterpretation of the white paper, against the proposed change in the number of employment weeks needed to qualify. Under the present act a worker must have been employed for at least 30 per cent of the time over the past two years to receive any benefits. Under the proposed program a worker must have been employed for at least 40 per cent of the time in the previous year to qualify for the full range of benefits, which is 20 weeks in the past 52 weeks. This is an increase in the qualifying requirements and not a decrease, as has been suggested.

However, it should be mentioned that for some people with an attachment to the labour force of eight to 19 weeks, or employed for 15 per cent to 38 per cent of the time in the previous year, the new plan would provide less than the full range of benefits except in very extreme circumstances of high national or regional unemployment. It is here that the plan recognizes the government's responsibility for the unemployed worker when these extreme circumstances exist.

In passing, it may be well to correct the erroneous comparison of maximum entitlement in the present and the proposed plan for a worker earning $100 a week. Many have implied that an employee earning $100 a week for eight weeks would be eligible to receive benefits of $100 a week for 51 weeks. This is not the case. In fact, this worker would receive only 66⅔ per cent of his insurable earnings, or $67 a week, and not for the full 51 weeks. His maximum benefit duration would vary from 18 weeks to 44 weeks, depending on the unemployment rate. It is also important to note that this benefit will be taxable.

It has also been stated that a worker, under the present plan, may contribute only $42 and is then eligible to draw $2,756 in benefits, compared with $15.80 in contributions and $5,100 in benefits under the proposed plan. First, Mr. Speaker, these calculations are incorrect. For a 30-week attachment to the labour force, the present plan provides for $42 in contributions and eligibility for 15 weeks at $58 per week, for a total benefit of $870, untaxed, compared with $23.70 in contributions and from $2,144 to $3,417 in benefits under the proposed plan, which would be taxed. Second, it is clear that the contribution in both cases is insignificant in relation to benefits, as it should be if the insurance principle of being covered from the first premium is accepted.

Others have referred to the large group of people who are constantly floating in and out of the labour force. However, as with the present act, those who are in fact defined as being out of the labour force are not eligible for benefits. The substance of this is in the definition of the words "out of the labour force." In the proposed plan, as in the present act, unemployed workers must be capable, available and actively searching for work to be considered eligible for unemployment insurance benefits. Furthermore, every claimant is subject to a well defined and efficient benefit control system. This system has been developed over the years and resulted in some 83,000 claimants being disqualified in the fiscal year 1969-70. Recently in the Public Accounts Committee we heard of disqualifications for refusal to accept work dropping from 21,229 to 2,024 since the separation in 1966 of the National Employment Service from the Unemployment Insurance Commission and the creation of Canada Manpower centres. This tells only part of the story because it does not take into account the benefit control procedure which has been revised to detect ineligible claimants independently of Canada Manpower centres.

When people refer to the possible misuse of the lump sum payment of three weeks' benefit by people entitled to it, by having worked 20 weeks or more I think that to some extent these are valid questions. But we have to make a value judgment whether there should be a three weeks' benefit payment or not. Frankly, I am of the view that the payment of three weeks' benefit will be an incentive to the unemployed to get back to work earlier than they would normally. This view was endorsed by the Parliamentary Standing Committee on Labour, Manpower and Immigration in their final report on the white paper published on December 16, 1970. It must also be emphasized that the proposed program is based on a two-week waiting period, which is a greater incentive to find work than the present one-week waiting period.

Many are also confused about the effects upon the middle-income group, which includes those with incomes of between $7,800 and $12,000 a year. They mistakenly believe that the 1,200,000 proposed to be covered for the first time are made up of persons solely in the middle-income group. In fact, these new entrants include 700,000 persons earning less than $8,000 per year who work for hospitals, charitable institutions, police forces and federal, provincial and municipal governments. It is proposed to extend coverage to only 500,000 additional middle-income persons, and the repeated implication that all the 1.2 million newly covered employees are in the middle-income group is not valid.

• (9:00 p.m.)

I have heard it stated that the middle-income group will be paying an "added tax" of $62 per year in the form of unemployment insurance with little or no chance of drawing benefits. However, there are 750,000 persons in the middle-income group now covered under the present plan. They would, it is estimated, contribute $33

million more than they would receive in benefits in 1972 if the present plan is retained. Under the proposed plan, this situation is reversed so that the middle-income group, including new entrants, will receive $20 million in benefits in excess of contributions, with the preferential contribution rates given to them in the first few years. When the plan matures, this difference will still be about $8 million. This improved contribution versus benefit comparison can be explained by the reduction in contribution rates, income tax effects, the increase in benefit rate and the provision of sickness and maternity benefits.

I should note that these figures are based on employee contributions only, but even if employer contributions are added into the calculations there is still a considerable improvement over the present plan. The assumption that those in the middle-income group will significantly increase contributions to the fund, without a proportional increase in benefits, is not supported by the facts.

Experience rating of employers has been introduced into the proposed plan because increasingly large subsidies are being paid by workers and employers in certain industries to workers and employers in others. It is considered unreasonable for an employer who may have negligible lay-offs to pay the same contribution rate as another employer who has a high lay-off rate, leading to a disproportionate consumption of unemployment insurance funds. It is, therefore, an objective of the proposed plan—as is the case with most insurance plans—to more equitably allocate the premium cost to where the benefit cost arises. It is appreciated that there will be some cost effect on industries which have benefited from this hidden subsidy, but economists now agree that the price of a product should reflect its true cost or, if subsidies are needed, they should be paid through some other program.

The parliamentary standing committee has endorsed this approach. Further to this, an experience rating system will provide an incentive for employers to stabilize employment patterns in order to take financial advantage of the reduced contribution rates which result. It is noteworthy that the proposed experience rating system will be phased-in over the years 1972 to 1974 with the full application not being implemented until 1976. Hence, all employers will have sufficient time to adjust their employment patterns.

Some constituents have expressed particular disappointment in the proposed program's plan to "get the unemployed back to work". In fact an entirely new proposal, the claimant assistance plan, has been devised for that very purpose. It is intended that this plan will become effective before the first interview. Immediately upon applying for benefits, an information kit will be given to those for whom it is suitable. This will provide details to assist the claimant in a rational job search. The first interview comes later because it has been found that 45 per cent of the claimants find work in the first eight weeks and for them interviews would be redundant.

The reasoning for the second interview at approximately the fourteenth week is much the same and is a recognition that a person out of work that long may have a special problem. Accordingly, the second interview will be more searching, so that the interviewer will have a better chance of establishing the problems the claimant is encountering in finding work. It is felt that through this system, in conjunction with public and private job placement agencies and social development groups, an unemployed person is likely to return to active employment much sooner. In fact, several pilot studies have established that programs such as the claimant assistance program can help a claimant, on average, to return to work up to one week sooner than otherwise. This is a 10 per cent to 15 per cent improvement.

It must not be assumed that the claimant assistance interviews are mainly to detect abuse. This is not the case. The Unemployment Insurance Commission staff involved in these activities will be kept entirely separate to prevent an unnecessary confusion of roles which could reduce the effectiveness of both programs. In fact, the existing benefit control procedures of the commission are quite adequate to control abuse. In 1969 the program against fraud and illegal benefit claims was applied more widely and new techniques and methods were instituted. These new criteria are now being applied to concentrate investigations in areas and groups which have indicated the greatest incidence of abuse. During the 1969-1970 fiscal year the benefit control procedure resulted in 83,000 disqualifications. All were required to repay the amounts they had wrongfully or improperly obtained. This effective control procedure will continue to operate under the new proposals.

In conclusion, it is well to stress that the proposed plan has been formulated as a result of lengthy and in-depth study. This investigation has extended over a number of years, commencing with the Gill report of 1962 and culminating in the white paper of 1970. Further, the proposed plan has been subjected to intensive study by the parliamentary Standing Committee on Labour, Manpower and Immigration. During this study many interested groups took the opportunity to present briefs and make recommendations. The results of this investigation endorsed the basis of the proposed program.

I support the philosophy of social insurance on which this plan is based and the objectives of short-term financial assistance for the temporarily unemployed. But even more I endorse the aspects of this bill which will give guidance, direction and help to the unemployed and assist them to more quickly become productive workers in our society.

I am convinced that the unemployed need, and must have, financial help; but such help must never become our prime preoccupation, because their basic need is to be given an opportunity to get back into the work force at the earliest possible time. It is in this area that we, the government of Canada, must extend our greatest efforts.

Mr. Cliff Downey (Battle River): Mr. Speaker, I think all of us in the House, and certainly those who would criticize the bill before us, will admit that the administration of any unemployment insurance act is a difficult job. I think we would have to agree with the basic

principle of unemployment insurance in a country with a climate such as ours where many areas of the work force are unable to go about their tasks in the winter months.

The bill before us and the increases therein represent one or two situations either of which has rather severe implications for our country. The near-universality of its application may well indicate that the government has privileged information which forces it to conclude that the long-term outlook for our economy is so bleak that it is essential that workers in hitherto stable occupations as government service, teaching, nursing, the armed services, law enforcement, hospital services and the executive levels of employment must at the earliest date be afforded the protective benefits of unemployment insurance. If this is not the case, I can only conclude that workers in these occupations are being hopelessly taxed to provide a guaranteed income of as much as $100 a week for what is becoming an alarmingly large segment of long-term unemployed workers in our economy. As I said before, abuses of the act cause the most alarm to the greatest number of people.

• (9:10 p.m.)

Throughout the winter a great many figures have been bandied about in the House. We have had seasonally adjusted and unadjusted figures The fact remains that there is a considerably large group of unemployed. There is today an undesirable and unbearable amount of unemployment in Canada. Somewhere along the line we have to do some soul-searching because we are paying out vast amounts of unemployment insurance which of course, come from taxes collected.

I picked up a copy of the March 5 edition of the Calgary *Herald* from a random pile in my office. Before I go into the figures that I arrived at on counting the job opportunities and situations wanted, I wish to draw the attention of hon. members to page 4508 of *Hansard* for March 23. In answering a question with regard to West Indians being brought into Canada for farm work, the Prime Minister (Mr. Trudeau) said:

> Mr. Speaker, I agree with the hon. member on that score. The purpose of the Manpower centres is to send the unemployed or the students to take part in this work.

The Prime Minister was referring to the work which West Indians will be doing on the farms of Ontario.

> But, once again, facts reveal that there are in Canada some types of work which the unemployed and the students refuse to do; this proves, by the way, that the rate of unemployment is at times somewhat artificial.

The significant part of the answer is that there are some types of work which the unemployed and students refuse to do. I agree that everyone should have a choice. We cannot take away this basic decision. However, this group that refuses to work when there is work is exercising its choice. In many cases the financing on which they depend comes from tax dollars. The taxpayers do not have an opportunity of refusing the right to pay taxes.

We have a great hard-core of unemployed in this country. In some areas of the country this has gone on for generation after generation. I refer to welfare in particular. The fact is that they are given the choice whether to work or not. We are obliged to care for them. On the other hand, the taxpayers who provide the money are not given that choice. If they were to apply their rights and privileges to whether they paid taxes or not, their property would be taken away and would become the property of the state. This is a very significant factor. We should take a long look at moving the unemployed to areas where jobs are available.

On going through the March 5 edition of the Calgary *Herald* I found there were 260 job opportunities and 25 career opportunities. As a balancing factor, there were 36 situations wanted. On that particular day there were 285 job and career opportunities, compared with 36 situations wanted. The job opportunities were not merely at one end of the scale; they covered the whole gamut from the most unskilled to requirements for the most highly educated and highly skilled jobs. There were ads for agents, salesmen, domestic help, female stenos, waitresses, hospital personnel and teachers. This seems unjust when the unemployment insurance pot is being depleted. I suppose what I saw in the Calgary *Herald* would be indicative of the majority of newspapers in Canada. These employers need people to work for them, yet we pay out vast sums of unemployment insurance and make the pot a little sweeter.

In my opinion the proposed measures in this legislation perpetuate in a dangerous fashion the failure of the government to treat the root causes of our social problem. Canadians need programs and legislation which stimulate a depressed economy by increasing as rapidly as possible the rate at which our unemployed and workers coming into the labour market for the first time can find employment. One of our greatest depressants in the creation of new jobs becoming available to Canadians is the white paper on taxation and the concern it has caused throughout the nation. Tragic as many of the proposals in that white paper were, the time lag in tax change legislation coming forward as a follow-up to the white paper, and the uncertainty it has created in the country for a great length of time, has been one of the major reasons for unemployment reaching and remaining at its present level.

Legislation which merely makes unemployment more bearable and provides for payment of substantial benefits after so short an attachment as eight weeks to the labour force can only create a climate of acceptance on the part of the hardcore unemployed of Canada. They know that the government will look after them. Instead of placing priority on conditional employment insurance benefits, we should be reducing taxation as a means of reactivating our economy. We should be proposing measures which would bring 1¼ million people into the labour force. We should not be embarking upon more schemes which would drain from the economy unemployment insurance funds amounting to several hundred millions of dollars which are needed to promote expansion of business and industry.

• (9:20 p.m.)

If taxes were lower, if the future were not so uncertain, a great many more people would be hired, a great

many more people would be employed. But businessmen and industrialists in this country are afraid to do any more because the government's bite is just too large; the services are getting out of hand. In times of high unemployment such as we have experienced in the past year, the premium rates for this insurance scheme will, on the government's admission, be increased to compensate for the large benefit payments envisaged. Thus, at the very time when the economy needs increased purchasing power the necessary increase will be denied in part by the provisions of the bill before us; employees negotiating wage and salary settlements will demand that those settlements reflect the cost of meeting unemployment insurance premiums.

Employers, of course, will be obliged to pass the cost of these new settlements, as well as the cost of their premium payments, to users of their products or services. In considering these proposals to extend the benefits of unemployment insurance we should take account of the considerable number of businessmen in this country who are being forced into bankruptcy. Many businessmen have paid into this scheme, yet when they go bankrupt they find themselves without recourse in terms of unemployment insurance benefits. I suggest to the minister that since he is including so many new categories in his scheme, he might just as well include bankrupt businessmen.

Some hon. Members: Hear, hear!

Mr. Alexander: Before they go bankrupt.

Mr. Saltsman: Welfare for the rich—that's what we need.

Mr. Downey: What possible justification can there be for the inclusion of professional athletes in the new groups of workers compelled to pay into the fund? If there are sound reasons for including professional athletes, surely the same reasons ought to apply to professional musicians and actors, poets and painters, philosophers and magicians, since I would assume their employment prospects could be at least as hazardous as those of policemen or teachers.

Might I say as an aside that in the farming communities of the west, alarm has been caused from time to time by the growth of Hutterite colonies. These people are very good farmers. They farm on a communal basis and do so well that individual family farmers sometimes find it difficult to compete. Clause 4(e) of the bill before us contains a provision which, it appears, would make the existing competitive advantage even greater. I shall read the appropriate words from the bill which would exempt colonies from unemployment insurance:

> The employment of a member of a religious order who has taken a vow of poverty and whose remuneration is paid directly, or by him, to the order—

And so on. This provision would, I believe, place the individual family farmer in a worse competitive position vis-à-vis the Hutterite colonies. Then, again, what possible justification could there be for the government proposing that a retired worker should receive benefits for a period as long as 18 months? This could cost as much as $7,800 per person. Further, what justification could there be for providing benefits lasting up to 15 weeks in the case of pregnancy? Surely pregnancy ought to be regarded as a voluntary act by which a woman removes herself from the work force, unless of course the woman is the head of a family in the sense that her husband is unemployed during that period, or since becoming pregnant she has become widowed or divorced. This matter needs looking into again.

I commend to all hon. members the reading of the brief presented to the standing committee on October 22, 1970, by the Canadian Association of Equipment Distributors. In particular I should like to quote one portion of a paragraph from this submission as follows:

> We are very much disturbed by the further incentives to idleness and work avoidance which seem to be built into the new proposals. Far from there being indications of any vigorous intention to tighten up against the abuses well known to occur under the present system, it appears that the work-shy are likely to enjoy more generous treatment than ever. We believe that the proposed qualification of eight contribution weeks in a 12-month period is totally inadequate to constitute any form of attachment to the labour force. Since the earning of as little as $25 in seven days can comprise a contribution week, we have the situation that a person who has earned only $200 in a 12-month period (which at some current labour rates can mean as little as 30 hours' work in 12 months) is considered to be a bona fide member of the labour force entitled to enjoy unemployment benefits as an entrant to the system.

I believe that rather than devote enormous resources and funds to providing palliatives for the unemployed, the same resources and energy should be channelled into the more positive role of providing employment. We have to recognize that there are many thousands of citizens in our society who through no fault of their own require assistance in various forms from the state in order to enjoy a proper and decent livelihood, and I would support all measures that are directed toward the welfare of such people. I believe in social reform, but I say there is a distinction between socialism and social reform. They are two very different entities. Socialism increasingly fosters the belief that the state will provide all the essentials of life from the womb to the tomb.

Mr. Saltsman: Hear, hear!

Mr. Downey: The only thing wrong with that concept is that in the process of bringing it about, our freedoms are destroyed. Someone said that the power to tax was the power to destroy, and this is what we are experiencing. If hon. members think this is an overstatement I suggest they read the representations made on this bill to the Standing Committee on Labour, Manpower and Immigration; they will find that the overwhelming majority of those submissions, including those from the unions, were opposed to the bill as it now stands.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I intend to say some critical things about the bill before us and the way in which it is set up, but before doing do I should like to say some complimentary things about the minister. I see the minister presenting this bill as conducting a one-man subversion of his own government: in fact, what

this should be called is the "Bryce Mackasey fiscal policy." He is making sure that his government, which has been responsible for some of the highest levels of unemployment the country has ever seen, will not be able to get away with it in future without paying a very heavy price. If they create unemployment, they will pay an awfully high price. The proposals that the minister is putting forward provide a kind of built-in stabilizer.

• (9:30 p.m.)

An editorial in the Toronto *Star* pointed out, I think correctly, the fiscal nature of these proposals. As unemployment decreases, so the fund will build up. The assumption is that unemployment will decrease and that also there will be an increase in inflation. The building up of this fund will sterilize a certain amount of money by withdrawing it from circulation, and this will have an anti-inflationary effect. If unemployment increases above 4 per cent—I quarrel with that figure; I think it should be only 3 per cent—then the government has to put in money, and this will have an expansionary effect. If the government does have a tight monetary policy and a tight fiscal policy, then the "Bryce Mackasey fiscal policy" will come into operation and frustrate the government's intent.

It is to this extent that I congratulate the minister on what he is doing. With the modesty for which the minister is renowned, he said in his opening remarks that he was no economist. May I say to him, through you, Mr. Speaker, that he is probably the best economist on that side of the House, even though he does not want to take credit for it.

All of us agree on the need for an income maintenance policy. I do not think there is any quarrel with the argument that those who are unemployed should receive some kind of assistance, particularly when the overwhelming majority of people who become unemployed do not do so because they want to, but because they have no choice. After all, it is not their decision to be unemployed.

Quite frankly, I think the arguments I have heard from my friends in the Conservative party, such as that the waiting period is too short and the attachment period to the labour force is too short, are spurious. Why worry about the length of time workers are attached to the labour force? If they are unemployed and are members of the labour force, they require some kind of assistance and should receive assistance from the unemployment insurance fund.

Let me also say that no matter what kind of program we ultimately bring in, in terms of social policy there will always be a need for an unemployment insurance program. As I said yesterday on the guaranteed annual income, I see the concept of a guaranteed annual income for those who are not in the labour force, though I cannot see it for those who are in the labour force. I think unemployment insurance will always have relevance to people who are in the labour force.

What is my quarrel, then, with the kind of bill now before the House, with the kind of ideas that have been put forward by the minister? My quarrel is that in fact he is giving us a welfare program and is calling it unemployment insurance, and I resist this kind of phoniness. But perhaps the minister has no choice. His government is not prepared to bring in a comprehensive income maintenance policy. It is not prepared to bring in the kind of social measures that are required in this country. Therefore, the Minister of Labour has to sneak them in as best he can—and he sneaks them in through the unemployment insurance program. My concern is that, well motivated though he may be, by doing this to some extent we discredit the whole concept of unemployment insurance and run into all kinds of problems in terms of acceptability.

Mr. Alexander: You would throw the bill out.

Mr. Saltsman: Contain yourself, my friend. I know my friend is a man of infinite curiosity and I shall try and satisfy him later.

Mr. Paproski: Back to the convention hall!

Mr. Saltsman: Yes, back to the convention hall. As a matter of fact, I had the pleasure of reading the very good intervention made yesterday by the hon. member for Hamilton West (Mr. Alexander) and I noted that he took rather strong exception to those who were trying to talk while he had the floor. I would only say to him that I hope he will extend to me the same courtesy he asked of those who were impolite enough to interrupt his remarks.

Mr. Alexander: I extend my apologies.

Mr. Saltsman: I have heard my hon. friends in the Conservative party denounce the Unemployment Insurance Act as a kind of "boondoggle" to the workers. They say it is abused, that it is taken apart. You would think, Mr. Speaker, that this fund was designed to provide opportunities for working men to avoid work. What these members fail to appreciate—and I am surprised at this—is that the unemployment insurance fund is really a subsidy to industry. I am very unhappy that industrialists and businessmen in this country keep pointing their finger at the workers.

Let me recount an experience that I had on a plane coming back from Vancouver. Sitting beside me was a very prosperous man—at least so he told me.

Mr. Mackasey: He must have got on at Calgary.

Mr. Saltsman: He was a fruit grower from British Columbia. Most of the time he spent with me he was denouncing his lazy workers because they worked only so many weeks of the year and collected unemployment insurance the rest of the time. I asked him why he did not employ them all year round so that they could not collect unemployment insurance—because of course, you can only get insurance if you are laid off. I said to this man, "You say that they quit on their own and that you want to keep them. These workers cannot collect unemployment insurance until they have gone through a waiting period". Then he told me he could not use them all year round. I then asked him who was being subsidized.

That man could not survive without the unemployment insurance fund, and he should not survive. There are too many industries in this country evading their responsibilities and passing the buck to the public. We have seen this with pollution and with unemployment insurance.

I also have serious reservations about a fund of this sort that does not rate industries. I think industries should be rated. In fairness to the bill I should say that there are some weak provisions in regard to a low rating, a high rating and a medium rating; but in my view the gap between them is not wide enough. All industries should be experience rated.

I think that one of the best programs in this country is workmen's compensation. Looking back over the history of workmen's compensation we see it has had an admirable effect on the prevention of accidents in factories. Most of us who have been working for quite a while remember the time when no one cared much about accidents in industry. After all, that was part of the price that you had to pay for the production of goods. But when workmen's compensation boards started to give certain industries a high accident rating, these industries began employing safety officers in their plants. They began to scratch their heads and introduce safety devices, paste up posters in plants and promote educational programs. They did everything they could to ensure that they would not be put into a penalty position as a result of accidents in their factories—and that is the way it should be.

Too many industries have been living off the unemployment insurance fund, and the chief beneficiary of the fund has unfortunately not been the working man but, rather, the inefficient industries of Canada. This is a matter we must examine closely. If we are critical of unemployment insurance, and if there is cause to be critical, let us put the criticism in its proper place.

There are, of course, workers who abuse a fund of this sort. In any society consisting of millions of people you will find individuals doing things with which we do not agree. But my experience, and I think the experience of anyone who wants honestly to examine the behaviour of the working man in our society, is that he does not want to abuse the fund. By and large the labour force plays fair. If workers become unemployed, in most cases it is not their fault. They do not collect from the unemployment insurance fund of their own volition.

• (9:40 p.m.)

We can remember industries that as a matter of habit hired all kinds of people when things were good, and laid them off just as fast. The automobile industry was one of these. When automobiles were selling they would have high employment, but when things slowed down they would throw their workers on unemployment insurance. This continued until the unions stepped in and said they could not operate this way. The unions have made it too costly for the automobile industry to hire and fire on this basis.

These industries used to raise the argument that they could not organize their operations this way because their business was seasonal. They said they had to lay off people, but in fact this turned out not to be the case. When they had to pay these people even though they had laid them off, they stopped doing so and began to use their head in terms of levelling off the ups and downs of the industry.

I remember the $500 winter works bonus which was paid to the house building industry in respect of each house built during the off-season. Until that time virtually everyone in the house building industry told us there was no way they could build during the Canadian winter. They said it could not be done. The construction industry has been notorious for its lay-off pattern. The industry hired men for a day, a week or a month and then laid them off. The industry has had no sense of obligation to these people. There is no long-term attachment in most cases between the employee and the employer. Once there was a bonus involved and the industry knew there was some benefit if it built houses in the winter. Consequently, there was a great deal of construction in the winter.

One of the things we must look for today is a guaranteed annual wage. We must tell industries that they are obliged to treat their blue collar employees the same as the white collar man rather than as parts of a machine which can be shut down and started up again. They do not treat the office staff this way, so why should they do this to the men in the factories? The argument to the effect that they cannot organize the men in the factory does not hold water, because when they have to do this they do it.

We must emphasize this matter and use the unemployment insurance fund to stimulate this kind of approach. There should be a heavy penalty imposed, by way of the unemployment insurance fund, on employers who traditionally lay off workers at certain times each year, or those who do not exercise responsibility toward their workers. Let me go a little further and say something that may sound harsh. If industries cannot run their businesses in a way which will provide decent employment the year round with only lay-offs which cannot be avoided, they should not be in business. These industries receive fantastic sums from the public purse—and to add insult to injury it is very often the same industries which belabour the working man for abusing the unemployment insurance fund. They do so without taking into account the fantastic subsidies they receive and the abuses of the fund.

This erratic hiring and firing of the labour force locks people into poverty. It prevents their looking for other jobs. They hang on when they should get out. This enables them to attain a marginal existence when in fact there is not much hope for them in that industry. This practice undermines the retraining and mobility of our people. What we have in many cases is an insurance subsidy paid to industry. It is not any more an insurance program for workers in the real sense of that phrase.

If we are talking about insurance in comparison with welfare, the risk has to be unpredictable. That is what

insurance is all about. If you know that certain industries lay off people in the same month every year for the same period of time, which many industries are doing, that is not unpredictable. Unpredictability is an element of insurance. You must feel that the reason you are taking out insurance is that you do not know what will happen, but it might happen. Very often we know what will happen, and when that is the case we can no longer call it an insurance program.

When the act was first brought in a limited number of people were covered. With a great deal of accuracy I think it then could be described as an insurance program. In many ways the premium was related to the risk. There was an unknown element in terms of the occurrence of unemployment. Essentially, what we had was a small group of industrial workers covered by the program. As the years went by, a greater number of people became covered under the plan. This occurred for various reasons, some of which were political. The governments of this country did not have the courage or intelligence to decide that we needed some kind of support for those who were displaced or suffered in our economy through no fault of their own. These were the people swept under the cover of the unemployment insurance fund. This was good politics because it usually happened around election time. Every time this happened, the program became something less an insurance program and more a welfare program. This is what the minister has inherited, and he must deal with it.

I note in the bill an attempt to devise a program for fishermen in particular. They are to be kept under the umbrella of the unemployment insurance fund until that is accomplished. This must be done because you simply cannot chuck people out, whatever the arguments happened to be when they were originally included. They require some kind of protection and we cannot rid ourselves of this protection until we create another kind. The Gill report took a very strong stand about the need to find a method of offsetting the unemployment insurance benefits for seasonal workers in Canada. This thinking also applies to fishermen and a host of industrial workers whom we do not think of as seasonal but who fall within a seasonal pattern.

I do not think the provision for maternity leave is good. I do not quarrel with the concept. Many countries have maternity benefits and perhaps we should have them as well—but how does this fit into an insurance scheme? Is maternity an accidental thing? It may be in some cases. Are you going to include maternity cases when a girl says her pregnancy was an accident? What about maternities that are planned? How do you justify putting them in an insurance scheme? On what rationale could you extend maternity benefits under an unemployment insurance scheme? If you are to have this kind of insurance scheme and maternity is not the result of an accident, what about planned maternity? Why should this be restricted to women in the labour force? What about girls who are not in a labour force and who have accidents? What are we to do with them? I am not asking the minister what he would do personally, and I do not intend to repeat what Mackenzie King said when he was asked about the Doukhobors, but this provision does not make much sense to me.

The minister suggested that by including a maternity leave provision we could cut down on abuse. I find this difficult to understand. Maternity benefits will be provided for up to 15 weeks. In his opening remarks he said that some people are now receiving benefits for 52 weeks as a result of maternity. What is to prevent their getting 52 weeks under this measure? I suggest they could obtain the same 52 weeks' benefit and that this will not correct any abuse. If these people want to go through the same rigamarole they now go through, they will get their full time. This measure will not change that situation. So I am pointing out through you, Mr. Speaker, to the minister the absence of logic. There may be a lot of humanity in this provision but—

• (9:50 p.m.)

Mr. Mackasey: I wonder, Mr. Speaker, if I might ask a question. I compliment the hon. member for his contribution to the debate in respect of experience rating, but so that I can formulate my thinking for my rebuttal tomorrow I wonder whether the hon. gentleman is agreeing that seasonal workers such as fishermen should eventually be removed from the unemployment insurance scheme.

Mr. Saltsman: If the minister is asking for my opinion, I believe I would say yes. I think seasonal workers generally— I would not say fishermen in particular—should not be in the unemployment insurance scheme. This is a personal view. I am sure there will be some disagreement by other people in my party. The inclusion of farm help is another move in this direction. The extension of coverage to salaried employees is another move in this direction. The coverage in respect of people taken ill while on insurance, although humanitarian and understandable, is another move away from the principle of unemployment insurance. One of the things Mr. Gill pointed out in his report which is difficult to justify is the inclusion of students from whom unemployment insurance is taken, yet who will never qualify to receive benefits so long as they continue to be students. The bill before us makes some gesture in the direction of relating premium to risk, but it is minimal and I believe it should do far more.

I should like to say a few words about the position of teachers. I have had an opportunity to hold a number of discussions and meetings with teachers. I believe it is unfair to misinterpret the teachers' position as one of wishing to be excluded from unemployment insurance. I think they very clearly stated in their brief that their quarrel is not with being included in the scheme, not with paying a premium but, rather, with the way it is being done and the artificiality of the argument that is being used.

If what we have in this country is a program which started as an unemployment insurance program and which is to be turned into a welfare program or a partial welfare program, it should be paid for in that way and not on a premium basis. A major portion of the cost of the premium should be paid by the public treasury. I want to leave aside for the moment the "Mackasey fiscal

policy," which is a good policy, and simply say we are moving the other way.

The minister said we would save in the order of $80 million from the Canada Assistance Plan by including this program, so the government's contribution is becoming less and less. The government is providing more welfare and is paying less. Even that 20 per cent of 16½ per cent which my hon. friend from Winnipeg North Centre (Mr. Knowles) so carefully calculated is being taken out. The government is thrusting the burden on the people coming into the scheme now and is asking them to pay out of proportion to their risk. The minister nods his head. Let me ask him what sort of sleight of hand he has used to justify what he has done. He is now including more people. He is lowering the premium. He is reducing the government's contribution and is paying higher benefits. If the people who are being added are not to be taxed—that is what it is, a tax—out of proportion to the risk they represent, how does the minister work this financial miracle?

Mr. Mackasey: I wonder whether the hon. member would like the answer now, or when I am summing up tomorrow evening. I have an intriguing thought that I can increase the benefits, lower contributions and everything else and do all the things the hon. member has suggested. The point is that I am applying the insurance concept by pooling risks. I know people coming into the plan will be contributing to the total risk, and I am sure the hon. member as a good left-winger would agree with the concept that they should be their brother's keeper and help each other. Basically, this is what we are asking teachers to do.

Mr. Saltsman: I am not quarrelling with being my brother's keeper. The minister is making a very Tory-like argument. He wants to tax less and pay more. How is this to be done? Admittedly, the minister is increasing the benefits and reducing the premium because he is pooling the risk. There is only one conclusion: the new people coming in will be paying more than they are receiving. Why do we not say it that way? Really, this is the crux of the teachers' argument. They will incur risks, of course, but we are not being frank about their position. They are being taxed in excess of other people who pay into the unemployment insurance fund. I believe this is so, because I do not know how else the minister can work it out. He has proven his brilliance in economics according to his fiscal policy and I would not wish him to lose that stature by arguing that it is otherwise, that is, that it is not a fact that the new people coming in will pay more than they will receive.

We can argue that a new situation has arisen and many people who were included in the past, who might logically have considered themselves as not prone to some of these risks, are now prone. There is some truth in this argument and I believe even the teachers would admit it. However, I believe if we are to tax the teachers more heavily than other people—because ultimately it becomes a tax—we should at least have the courtesy to be frank and not suggest that they are coming into the program and will receive benefits equal to their contribution.

I have spoken privately to many teachers who have said that if they are to be their brother's keeper and pay a tax, then everybody else should pay the tax. If this program is to have a welfare connotation, part of which is to be paid by premium and another part to be paid out of tax revenue by people according to their ability to pay, then I say we are moving backward. Even the government's contribution is being withdrawn. The whole thing is being thrown back on the payers of the premium and the new people coming in. I suggest that this is unfair.

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

Mr. MacLean: Mr. Speaker, will the minister confirm that we will continue this debate tomorrow?

Mr. Mackasey: Yes, Mr. Speaker. I hope we might finish it by tomorrow evening.

At ten o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Wednesday, April 21, 1971

The House met at 2 p.m.

VACANCY

Mr. Speaker: I have the honour to inform the House that I have received a communication notifying me that a vacancy has occurred in the representation, namely:

Albert B. Douglas, Esquire, member for the electoral district of Assiniboia, by decease.

Accordingly I have addressed my warrant to the Chief Electoral Officer for the issue of a new writ of election for the said electoral district.

ROUTINE PROCEEDINGS

[*Translation*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fourteenth report of Standing Committee on Finance, Trade and Economic Affairs, in the two official languages—Mr. Clermont.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

* * *

[*English*]

ROYAL CANADIAN MOUNTED POLICE

WIRETAPPING OR OTHER ELECTRONIC EAVESDROPPING—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise to ask leave of the House to present a motion under Standing Order 43. Before members on the other side of the House respond with an automatic "No", may I indicate that I have given advance copies of my motion to the government house leader as well as to certain other members of the House. I believe it is a motion that calls for no argument whatsoever. Therefore I move, seconded by the hon. member for Vancouver East (Mr. Winch):

That this House, as a matter of principle and in defence of its undoubted privileges, records its opposition to any wiretapping or other electronic eavesdropping on its members by the Royal Canadian Mounted Police or by any agency on behalf thereof.

Mr. Speaker: Order, please. Hon. members have heard the motion proposed by the hon. member for Winnipeg North Centre. The motion requires the unanimous consent of the House. I notice that the President of the Privy Council wishes to rise, but I have to bring to his attention and to the attention of the House that no debate is permitted by virtue of the Standing Order. The Chair is limited to asking whether there is unanimous consent.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent and the motion cannot be put.

Mr. Knowles (Winnipeg North Centre): Who said no?

• (2:10 p.m.)

WIRETAPPING, SURVEILLANCE AND PREPARATION OF DOSSIERS—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. David MacDonald (Egmont): Mr. Speaker, I rise on a matter requiring the urgent consideration of the House, in a vein similar to the motion proposed by the hon. member for Winnipeg North Centre (Mr. Knowles). Therefore I ask the unanimous consent of the House to consider the following motion. I move, seconded by the hon. member for Hillsborough (Mr. Macquarrie):

That this House do now require the Solicitor General to appear before the Standing Committee on Justice and Legal Affairs to consider the following matters:

1. The criteria upon which wiretapping, surveillance and the preparation of dossiers are initiated in this country;

2. The process by which dossiers are compiled and/or verified in this country by members of the Royal Canadian Mounted Police;

3. The freedom that the security and intelligence directorate of the force has to initiate surveillance of any nature on M.P.'s without prior approval of the Solicitor General;

4. The wiretapping of the home of one J. M. Cossette, a resident of the province of Quebec;

5. The responsibility of the Solicitor General, either by omission or commission, for infringements upon the rights and privileges of all Canadians who are presently under surveillance, whether they be members of this House or not, and,

That such meeting take place between the Solicitor General and the Standing Committee before the first day of May, 1971.

Mr. Speaker: Hon. members have heard the motion proposed by the hon. member for Egmont. Under the provisions of Standing Order 43 before this motion may be put from the Chair it requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: In the absence of unanimity, the motion cannot be put.

Questions

CANADIAN WHEAT BOARD ACT

AMENDMENTS RESPECTING DETERMINATION OF PAYMENT FOR WHEAT—EXTENSION OF APPLICATION TO FLAXSEED, RYE AND RAPESEED

Hon. Otto E. Lang (Minister of Manpower and Immigration) moved for leave to introduce Bill C-238, to amend the Canadian Wheat Board Act.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

INDUSTRIAL RESEARCH AND DEVELOPMENT INCENTIVES ACT GRANTS

Question No. 941—**Mr. Saltsman:**

Since the beginning of the IRDIA program, for each year, what is the total of (a) tax free cash grants that have been paid to industry in Canada (b) credits against tax liabilities provided for industry in Canada?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce):

	(a) IRDIA grants paid directly to corporations in respect of scientific research and development	(b) Credits against tax liabilities on behalf of corporations in respect of scientific and research development	Total
10 Mar. 1967 to 31 Mar. 1968	$ 1,560,690.17	$ 570,663.50	$ 2,131,353.67
1 Apr. 1968 to 31 Mar. 1969	19,202,701.18	384,077.36	19,586,778.54
1 Apr. 1969 to 31 Mar. 1970	21,737,754.86	1,262,259.71	23,000,014.57
1 Apr. 1970 to 31 Jan. 1971	18,538,690.86	579,461.07	19,118,151.93
Total	$ 61,039,838.07	$ 2,796,461.64	$ 63,836,298.71

CBC—"THE NOBLEST OF CALLINGS—THE VILEST OF TRADES" FILM

Question No. 963—**Mr. Robinson:**

With regard to the film entitled "The Noblest of Callings—The Vilest of Trades", aired on CBC Wednesday, January 6, 1971, will the government advise (a) who chose the members appearing on the program (b) on what basis were they chosen (c) who edited the film (d) who edited the audio portion (e) did those appearing on the program receive any remuneration and, if so, how much (f) what was the total cost of the program (g) by whom was the cost borne (h) what was the cost of the Canadian portion (i) what was the cost of the British portion (j) what was the cost of the American portion (k) was the program shown in the United States and Britain as well as in Canada (l) was the film censored as to the use of profanity and vulgar language and, if not, for what reason (m) was any other film made on members other than those who appeared, that was not shown (n) will the film be shown again and, if so, where and on what date (o) are any future films of a similar nature contemplated and, if so, on what date and who will be the "stars" (p) is it proposed that the film will be shown in the United States and Great Britain or any other countries?

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: (a) Members of Parliament appearing on the program were chosen by the producer in consultation with his associates. (b) Members were chosen in relation to the character and structure of the program, having in mind their representativeness as backbenchers and their willingness to cooperate in the production at all stages. (c) and (d) The producer and his associates edited the film and the audio portion. (e) to (j) No fees were paid to the Canadian political figures. Certain other participants received fees, but it has not been customary to require the Corporation to disclose details of internal management and administration such as fees paid to participants in its programs and individual program costs. (k) No, but interest has been shown in the U.S. and U.K. for a showing. (l) Normal editing was carried out. (m) Yes, as often happens, some of the film shot was not used. (n) There are no present plans for further showings. (o) There are no present plans in this direction. (p) Refer to "k".

CONTROL OF COMPANIES BY CAPE BRETON CORPORATION

Question No. 994—**Mr. Fortin:**

1. Has the Cape Breton Development Corporation obtained control of the companies which it now manages and, if so, is it the intention of the Corporation to indemnify the former owners (a) in cash (b) in bonds yielding interest?

2. Has the Corporation finished the inventory of properties to be expropriated and, if so, has this inventory been registered at a Registration Office?

3. Will the appraisal be based on (a) the value of the assets on the balance sheets (b) the direct evaluation of the assets (c) the stock capitalization (d) others?

[*Translation*]

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. The Cape Breton Development Corporation (Devco) has never controlled or managed the companies mentioned in S. 2(d) of the Cape Breton Development Corporation Act. The assets (but not the shares) of those companies were expropriated by Devco on March 30, 1968. On May 15,

[Mr. Speaker.]

1970, the Deputy Attorney General of Canada, on behalf of Devco, commenced proceedings in the Exchequer Court of Canada to have determined the amount of compensation payable for the assets expropriated; in these proceedings the companies concerned were offered the sum of eleven million dollars in full settlement of all claims for compensation for the assets expropriated, subject to the set-off mentioned in S. 12(3) of said Act.

2. Pursuant to S. 10 of the Cape Breton Development Corporation Act, a plan of the real property expropriated by Devco was filed in the Office of the Registrar of Deeds for the County of Cape Breton, at Sydney, Nova Scotia, on March 22, 1968, as Instrument No. M612. The inventory of personal property expropriated by Devco was registered the Office of the Registrar General of Canada on March 19, 1968, on Film 217, Document 183.

3. The Crown's appraisers have valued the assets expropriated upon the basis set out in S. 12 of the Cape Breton Development Corporation Act."

[*English*]

CAPE BRETON DEVELOPMENT CORPORATION—APPOINTMENT OF AUDITOR

Question No. 995—**Mr. Fortin:**

1. Since the establishment of the Cape Breton Development Corporation (a) who was appointed auditor and under what authority (b) what is his annual salary (c) has the Auditor General been appointed auditor or co-auditor and, if not, for what reason?

2. What progress has been made in the nationalization and expropriation operations of this Corporation?

[*Translation*]

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): 1. (a) Touche, Ross, Bailey and Smart of Halifax, N.S., under authority of P.C. 1967-2099, November 2, 1967. (b) Charges are based on services rendered in respect to each year's audit. (c) No. It has not been the practice, where independent auditors have been appointed to audit the affairs of a proprietory corporation, to appoint the Auditor General as well.

2. Please refer to the answer to Question 994.

[*English*]

PERSONNEL OF AMERICAN SUBSIDIARIES, 1970

Question No. 1,033—**Mr. Yewchuk:**

1. In 1970, how many employees, hired by American subsidiaries in Canada, were laid-off?

2. In 1970, how many employees, working for American subsidiaries in Canada, went on strike?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): 1 and 2. Information not available.

Questions

FOOD AND DRUG DIRECTORATE PUBLICATION RX

Question No. 1,119—**Mr. Orlikow:**

1. Does the January issue of the Food and Drug Directorate of the Department of National Health and Wealth publication RX list prices from different manufacturers for three different drugs and, if so, is one such company Empire Drugs?

2. Was the Empire Drug Company delisted between January 1 and January 15, 1971, from the list of companies conforming with standards 74-GP-lb?

3. What is the purpose of deleting a company from the list of companies conforming with standard 74-GP-lb?

4 Are federal departments and agencies restricted or prevented from purchasing drugs from companies not conforming to standard 74-GP-lb?

5. Did the official publication of the Food and Drug Directorate omit any company that conformed to the standard from the list?

6. On what date was the January issue of the RX bulletin released?

Hon. John C. Munro (Minister of National Health and Welfare): 1. Part I, Yes. Part II, Yes.

2. Yes.

3. Canadian Government Specifications Board Standard 74-GB-lb is considered as a guide to assist drug purchasing agents of the Government of Canada. In general, companies deleted from the list of those conforming with standard 74-GB-lb are not considered eligible to tender on drugs purchased by the federal government. On occasion, however, drugs are purchased for federal use from firms whose names do not appear on 74-GB-lb, if the product involved is of a specialty nature.

4. See answer to question 3.

5. No.

6. The January 1971 issue of RX was released on February 17, 1971.

PREFERENTIAL TRADE TREATMENT

Question No. 1,172—**Mr. Haidasz:**

To which countries does Canada give preferential trade treatment?

Hon. E. J. Benson (Minister of Finance): Canada extends the benefits of the British Preferential tariff to goods of the following countries: United Kingdom, Republic of South Africa, Australia, New Zealand, Pakistan, India, Ceylon, Eire, Bahamas, Jamaica, Barbados, Trinidad and Tobago, Antigua, St. Christopher-Nevis-Anguilla, Dominica, Montserrat, British Virgin Islands, Grenada, St. Vincent, St. Lucia, Turks and Caicos Islands, Ascension, Bermuda, Guyana, British Honduras, Brunei, Sierra Leon, Singapore, Cocos Islands, Swaziland, Tonga, Western Samoa, Lesotho, British Solomon Islands Protectorate, Cyprus, Channel Islands, Cayman Islands, Cook Islands, Fiji, Falkland Islands, Ghana, Gambia, Gilbert and Ellice Islands, Isle of Man, Kenya, Malaysia, Malta, Mauritius, Zambia, Malawi, Nigeria, Norfolk Island, New Guinea, Nauru, Papua, St. Helena, Christmas Island, Seychelles, United Republic of Tanzania, Uganda and Botswana.

Questions

NEWFOUNDLAND—ASSISTANCE UNDER DREE

Question No. 1,185—**Mr. Marshall:**

Has the Province of Newfoundland applied to the federal government for assistance under the Department of Regional Economic Expansion to establish air landing strips at (a) Cartwright (b) Mary's Harbour (c) Springdale (d) Grand Falls (e) Wesleyville (f) Bonavista (g) Catalina (h) Winterland (i) Harbour Buton (j) Channel (k) Port-aux-Basques and, if so, what assistance will be given by way of grants or loans?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): No.

DEPARTMENT OF REGIONAL ECONOMIC EXPANSION—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,191—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Regional Economic Expansion (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Nil.

AMENDMENTS TO THE CRIMINAL CODE—OFF-TRACK BETTING OPERATIONS

Question No. 1,204—**Mr. Lambert (Edmonton West):**

1. Since the 1969/70 amendments to the Criminal Code of Canada, has the Minister of Agriculture received from any provincial government any request for the Minister's approval of off-track betting operations to be conducted by governmental, municipal, community or private interests and, if so, how many applications were there from each province?

2. What was the decision in the case of each of the said applications?

3. If any were refused, what were the reasons given for such refusals?

Hon. H. A. Olson (Minister of Agriculture): 1. The Attorney General of Alberta has requested the Minister of Agriculture to authorize off-track betting to be conducted by the Western Canada Racing Association Ltd., at their Edmonton and Calgary Race tracks.

2. No final decision.

3. The Attorney General of Alberta and the Western Canada Racing Association Ltd. were advised that the decision in this matter would have to be delayed and considered in the context of off-track betting generally, which has been discussed by the federal and provincial Attorneys General.

NATIONAL DEFENCE—SELECTION OF TEACHERS FOR OVERSEAS POSITIONS

Question No. 1,234—**Mr. Fairweather:**

1. What are the criteria used for the selection of teachers for overseas positions with the Department of National Defence?

2. For the 1971-72 program, how many applications were (a) received (b) accepted from the Province of New Brunswick?

[Mr. Benson.]

Hon. Donald S. Macdonald (Minister of National Defence): 1. Applicant's academic qualifications, special skills, ability and training; degree of competency based on the assessment by the local responsible superintendent of schools; personal suitability; age, marital status and, if married, the number of children in the family. Each candidate must also pass a medical examination for duty in Europe.

2. This year slightly over 800 applications were received for some 130 vacancies. Competition for each position was keen and only the best qualified and most competent teachers were selected. Thirty five school boards in New Brunswick were asked to nominate teachers for overseas assignments. Only eight boards responded, nominating a total of 18 candidates. Of the 18 candidates, one was selected, one failed to complete and return the required documentation and the remaining 16 were not given assignments because no suitable vacancies were available.

DEPARTMENT OF JUSTICE—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,270—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Justice (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. John N. Turner (Minister of Justice): None.

* * *

QUESTION PASSED AS ORDER FOR RETURN

PLYWOOD INDUSTRY

Question No. 665—**Mr. Fortin:**

1. During each of the past five years (a) what was the production of plywood in Canada (b) what were the exports of plywood (c) what were the imports of plywood (d) what were the custom duties on plywood?

2. Is the government considering the problems of the plywood industry in general and more specifically those of the Sogefor Company, and (a) if so, what solutions have been or will be applied (b) if not, for what reasons?

Return tabled.

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notice of Motion for the Production of Papers No. 209 is acceptable to the government.

INFORMATION CANADA KITS, FEDERAL EXHIBIT PROGRAM

Motion No. 209—**Mr. Mather:**

That an Order of the House do issue for a copy of the Information kits prepared by Information Canada for all of its exhibits in the federal exhibit program.

Motion agreed to.

CORRESPONDENCE BETWEEN CATALINA EXPLORATION AND DEVELOPMENT LIMITED AND PRIME MINISTER

Motion No. 206—**Mr. McCleave:**

That an Order of the House do issue for a copy of the letter dated in March sent by Catalina Exploration and Development Limited to the Prime Minister, and the reply thereto.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, Notice of Motion for the Production of Papers No. 206 is acceptable to the government subject to the usual reservations concerning confidential documents and to the authorization of the government authorities concerned.

Mr. Speaker: Subject to the reservations and conditions expressed by the parliamentary secretary, is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

Mr. Jerome: Mr. Speaker, would you be so kind as to call Notices of Motions Nos. 207 and 208.

STUDIES UNDER "FEDERAL PRESENCE PROGRAM"

Motion No. 207—**Mr. Mather:**

That an Order of the House do issue for a copy of all consultant studies, research studies or publications prepared by Information Canada in its "Federal Presence Program".

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Hon. Robert Stanbury that no studies or publications have been prepared for the "Federal Presence Program" of Information Canada. Under these circumstances I would ask the hon. member to consider withdrawing his motion.

Mr. Mather: I withdraw, Mr. Speaker.

Order discharged and motion withdrawn.

FILMS PRESENTED AT TERRE DES HOMMES BY INFORMATION CANADA

Motion No. 208—**Mr. Mather:**

That an Order of the House do issue for a transcript of the special films presented as part of Information Canada's federal exhibit program at Terre des Hommes.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, I am informed by the Hon. Robert Stanbury that the film being prepared for the Information Canada exhibit at Terre des Hommes is a short animated treatment of the theme of the citizen solving problems through a democracy. Since there is no voice or verbal presentation, there is no manuscript in the usual sense of the word. I therefore ask the member to withdraw his motion.

Mr. Mather: I withdraw, Mr. Speaker.

Order discharged and motion withdrawn.

Inquiries of the Ministry

Mr. Speaker: Perhaps I should remind the parliamentary secretary that it is preferable and indeed required by the rules to refer to an hon. member either by his constituency or by his responsibility in the administration and not by his name. I appreciate that at times, in some respects, there are difficulties, but I am sure the parliamentary secretary will want to bear that in mind.

Mr. Baldwin: There should be more anonymity.

ORAL QUESTION PERIOD

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—EXPRESSION OF CANADIAN OPPOSITION—PARTICIPATION BY BRITISH COLUMBIA IN MEETING WITH UNITED STATES OFFICIALS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of Transport who I see is on the roster today. It is prompted by the information given the Leader of the Opposition in Alaska yesterday by Professor Weedon indicating the paucity of research concerning possible effects of coastal and water pollution from the TAPS route. Is the minister in a position to assure the people of Canada that the government of Canada will present to the United States government its strong opposition to the TAPS project which threatens the Canadian people with an ecolocatastrophe?

[*Translation*]

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): Mr. Speaker, I will be pleased to inform the minister of this question as soon as possible.

[*English*]

Mr. Macquarrie: Mr. Speaker, I should like to ask the Prime Minister whether there is a cabinet-wide position on the TAPS route, and will this be made clear to the Canadian people and the Canadian Parliament at an early date?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. The subject has not been the object of policy by the government.

Mr. Macquarrie: I have one further supplementary, Mr. Speaker. Considering the fact that the British Columbia government, in contradiction to his own government, has a strong and clear-cut position on the matter, will negotiations be entered into with the United States so that the government of British Columbia might be invited to the May 3 conference?

Mr. Trudeau: Mr. Speaker, the May meeting in Washington between officials of our government and the United States government is to discuss this position and

to express the views which the Secretary of State for External Affairs has expressed in the House, that is to say, our very serious concern about the possibility of pollution if this route is adopted.

Mr. S. Perry Ryan (Spadina): Mr. Speaker, would the Prime Minister indicate whether there have been consultations with British Columbia about the forthcoming meeting on May 3?

Mr. Trudeau: I could not say, Mr. Speaker.

* * *

WELFARE

INELIGIBILITY OF PERSONS ON STRIKE FOR PAYMENTS UNDER SASKATCHEWAN ASSISTANCE ACT—CONSULTATION WITH PROVINCIAL GOVERNMENT ON BREACH OF AGREEMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of National Health and Welfare. In view of the fact that the Saskatchewan government by Order in Council has decreed that no person on strike is considered to be eligible for assistance under the Saskatchewan Assistance Act, and in view of the fact that the money paid under that act comes in part from the federal government under the Canada Assistance Plan, can the minister say whether he is getting in touch with the government of Saskatchewan concerning this breach of the agreement under the Canada Assistance Plan?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I have to advise the hon. member we would have to know the particulars of each individual case involving an application for social assistance. We would have to have knowledge of the facts concerning whether or not it was a case of genuine need and whether in fact the assistance was denied contrary to the basic criteria as to need established under the Canada Assistance Plan.

Mr. Knowles (Winnipeg North Centre): I have a supplementary question, Mr. Speaker. If the minister ascertains that this is the case, will he be in touch with Saskatchewan about it?

Mr. Munro: Yes, Mr. Speaker.

* * *

[*Translation*]

HOUSE OF COMMONS

TRIP BY INDIAN AFFAIRS MINISTER TO AUSTRALIA AND NEW ZEALAND—FAILURE TO INCLUDE RALLIEMENT CRÉDITISTE MEMBER

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to direct a question to the Minister of Indian Affairs and Northern Development.

[Mr. Trudeau.]

Yesterday, in his reply to a question put to him by the member for Athabasca, he said that he had visited several countries, including Australia and New Zealand, for the benefit of Canadians and he added:

—and I know that the hon. member deeply resented not being chosen by his party as a member of the delegation.

So, my question is the following: Can the minister outline the reasons that prevented him from asking our party to appoint a representative in the delegation that was visiting those countries?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have formed a delegation comprising three government members and two members of the Opposition. I thought that it would be sufficient to represent the House of Commons. The delegation did quite a good job during that trip.

Mr. Caouette: I should like to put a supplementary question, Mr. Speaker.

I do not want to know whether the delegation did a good job, but if the minister recognizes that there are four political parties in the House and that each party is entitled to be represented on any Canadian delegation.

* * *

[*English*]

FINANCE

OVERDUE INDEBTEDNESS OF PAKISTAN TO WORLD BANK —CANADIAN POSITION IN LIGHT OF INTERNAL CONFLICT

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of Finance. Would the minister advise the House whether Canada has joined other members of the World Bank in indicating to Pakistan that its overdue indebtedness to the World Bank can no longer continue and that in this way the World Bank is taking a position of putting pressure on Pakistan in light of the recent troubles in that country?

Hon. E. J. Benson (Minister of Finance): I should like to take this question as notice, Mr. Speaker.

* * *

PROVINCIAL AFFAIRS

PRINCE EDWARD ISLAND ACT PROHIBITING CERTAIN PUBLIC GATHERINGS—REVIEW BY SUPREME COURT OF CANADA

Mr. Andrew Brewin (Greenwood): Mr. Speaker, my question is addressed to the Minister of Justice. In view of the apparent conflict between the Prince Edward Island Public Order Act and the freedom of assembly guaranteed by the Canadian Bill of Rights, and the dubious constitutional validity of the act, is the government giving consideration to an early referral of that act for the judicial determination of the Supreme Court of Canada?

Hon. John N. Turner (Minister of Justice): I was in Prince Edward Island yesterday where I met the premier of the province on several matters including the current recently enacted piece of legislation. I also met a delegation from a committee which has been formed to protest that particular piece of legislation. I said to them, as I have said to the House, that the federal government does not intend to refer the provincial act to the Supreme Court of Canada by way of a reference, and that, if citizens of Prince Edward Island feel that it should be challenged the ordinary courts are available to them. I also said to the citizens committee that the power of disallowance had not been used since 1943.

Hon. J. A. MacLean (Malpeque): I have a supplementary question, Mr. Speaker. Since the practice of disallowance has, for all intents and purposes, gone out of use in recent years, would the Minister of Justice say whether in his discussions with the premier of Prince Edward Island the premier gave any indication that this act might be withdrawn or amended?

Mr. Turner (Ottawa-Carleton): Whatever action the premier intends to take, he will make it public in the ordinary way, I would imagine.

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—REQUEST THAT MINISTER MAKE REPORT TO STANDING COMMITTEE

Mr. David MacDonald (Egmont): My question is for the Secretary of State. In view of the questions in the last couple of days with respect to the Opportunity for Youth program, may I ask the Secretary of State, because of the considerable concern and interest in this program, whether he might be prepared to appear, along with the staff responsible for the program, before the Standing Committee on Manpower and Immigration to give a progress report about the program and to reply in detail to many of the concerns and criticisms that have been expressed over the past two or three weeks in order that the program may be implemented with full effectiveness?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, should I be invited to appear before a committee of the House because the committee feels my presentation to be useful, it would not occur to me to elude this appearance. However, I should like to tell the hon. member that as early as tomorrow, on motions, I intend to make a statement on this program which will represent, to a certain extent at least, a report on the present status of the project the hon. member mentioned in his question.

[*English*]

Mr. MacDonald (Egmont): Mr. Speaker, I thank the minister for his willingness to make a statement tomorrow. When he makes it would he address himself particularly to the criteria and objectives of the program and whether there will be sufficient funds to handle all the worthy projects that have been submitted by the youth of the country?

Mr. Norman A. Cafik (Ontario): As a supplementary question, Mr. Speaker, when the Secretary of State makes his statement on motions will he indicate to the House whether programs will be fully approved or will some of them be given only partial approval in order to allow the $15 million allocated to be spread out to cover a greater number of projects?

Mr. Speaker: Order. It seems to me that the question asked by the hon. member and the previous question are in the form of helpful suggestions to the minister. The House must assume that the suggestions will be taken into consideration by the minister. If they are not then hon. members will have an opportunity to ask other questions again tomorrow.

OPPORTUNITIES FOR YOUTH PROGRAM—INVOLVEMENT OF MUNICIPAL OFFICIALS

Mr. S. Perry Ryan (Spadina): Mr. Speaker, with respect to this program I would like to ask the Secretary of State if it is the policy of the government, as stated by a government official, to keep municipal civil servants from getting involved and, if so, to what programs in other departments does this policy also apply?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the question surprises me as I have said here repeatedly that any civil servant of whatever level of government could get involved in these projects and contribute as much as possible to them. However, it is clear that if "get involved" means receive a salary from the budget of the project that is excluded, as was moreover clearly stated from the start.

[*English*]

Mr. Speaker: Order, please. The Chair will recognize a last supplementary on this subject. The hon. member for Brandon-Souris.

SUMMER LANGUAGE PROGRAM—ISSUING OF INSTRUCTIONS

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, my supplementary question concerns the summer language program. Have specific instructions been issued to the AUCC which administers this course and, if not, could the hon. gentleman inform us when this information might be going forward?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Unless I am mistaken, Mr. Speaker, the hon. member is one year behind our time. Indeed this year, according to the latest news, this project is not administered by the AUCC but by the Council of the Ministers of Education of Canada who have agreed to consider the matter and to advise the department of the Secretary of State as to the way these courses could be organized.

Inquiries of the Ministry

[*English*]

GRAIN

POSSIBLE INCLUSION OF RAPESEED AND FLAXSEED UNDER CANADIAN WHEAT BOARD JURISDICTION

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the minister who reports for the Wheat Board. While normally the question I have in mind to ask might be subject to criticism at this time, because of rumours in western Canada to the effect that rapeseed and flaxseed are now going to be brought under the jurisdiction of the Wheat Board, and as there is naturally widespread interest because the number of farmers who have gone into the production of these crops runs into the thousands, is the minister prepared to say that, in so far as granting power to the Wheat Board, on proclamation, to include either or both of these grains within its jurisdiction is concerned, it is not the intention of the government to have the Wheat Board do the marketing of those two types of seeds either during the present crop year or in the next succeeding one?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I certainly welcome the opportunity to make clear what the position will be in the proposed legislation which is now before the House. There has been no decision at all to put rapeseed, flax or rye under the Wheat Board but only to include the power, by proclamation, to extend the Wheat Board Act to these grains. No decision of that sort has been taken by the government. The question has been under consideration and study, both by farm organizations and by a group under my direction, for some time, but certainly there is no imminent decision in this regard. The rapeseed market has in fact been working rather well in its existing shape.

Mr. Diefenbaker: Mr. Speaker, the simple question is this: if the government does not intend to use the power, then why is it bringing in legislation to permit the use of power that it has not in mind to use?

RAPESEED—CLOSING OF VANCOUVER FUTURES MARKET BY WINNIPEG GRAIN EXCHANGE

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, further to a question I asked the minister earlier this week regarding rapeseed to which he replied that the explanation for the closing of the futures market at Vancouver had better come from the Winnipeg Grain Exchange, since no public explanation has come from the Grain Exchange can the minister now inform the House of the reason for closing the Vancouver futures market?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Again I would remind the House that I cannot speak about the thoughts and intentions of the Winnipeg Grain Exchange, but certainly their total effort has been an attempt to provide for the country and buyers abroad a futures market which is reasonable and stable and one which produces a proper relationship with a decent price to the producer in Canada. They have had discussions about the closing of the Vancouver futures exchange as such in order to bring about a better result in the relationship of futures to current prices. There are further discussions now as a result of this action by the Winnipeg Grain Exchange and some further action may be taken by them. I am kept informed and I am assured that the total objective is to attempt to provide a stable and well operating futures market.

Mr. Gleave: In view of the fact that this has not been a stable market and has not returned just prices, can the minister inform the House of the basis and the procedure by which purchasers can now buy rapeseed for future delivery at Vancouver? Can he also answer the question I asked the other day, namely, what was the result of the meeting in Vancouver to discuss this subject?

Mr. Lang: Mr. Speaker, I cannot add anything at this time. The situation is fluid and the Grain Exchange is looking at alternatives. I think there may be further information for members before very long.

WHEAT—PROVISION OF EQUITABLE PRICE COMMENSURATE WITH COST OF PRODUCTION

Mr. Don Mazankowski (Vegreville): Mr. Speaker, in view of the fact that the government has rejected the realistic two-price system for wheat, can the minister indicate to the House whether any other proposal is under active consideration to provide the wheat producers of Canada with an equitable price commensurate to a degree with the cost of production within Canada?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I hope that within a few days I will be able to put before the House for first reading a bill regarding the stabilization plan which will include a transitional payment of $100 million.

Mr. Speaker: Order, please. I suggest to hon. members that we could spend the whole question period on this fascinating subject, but we should go on. The hon. member for Portneuf is anxious to ask a question on a different subject.

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[*Translation*]

PUBLIC SERVICE

DEPARTMENT OF NATIONAL HEALTH AND WELFARE—ALLEGED PREFERENTIAL SALARY TREATMENT FOR TORONTO EMPLOYEES COMPARED WITH QUEBEC

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question I wish to direct to the Minister of National Health and Welfare.

Is the hon. minister aware of serious complaints lodged by federal civil servants employed in the family allowance branch in Quebec City, to the effect that because of the department's practice of classifying employees doing the same kind of work, the officers on duty in the Toronto office receive $1,000 more annually than those in Quebec City?

Mr. Speaker: It seems to me that this question could easily be put on the order paper. If the matter is at all urgent, then the hon. member should give me the required notice and I shall see to it that the matter is discussed on adjournment.

* * *

[*English*]

INDUSTRY

AUTOMOBILES—UNITED STATES CUSTOMS COURT DECISION RECLASSIFYING CANADIAN-FORGED PARTS AS DUTIABLE

Mr. A. D. Hales (Wellington): Mr. Speaker, just before the Easter recess I directed a question to the Minister of Finance concerning a decision of the United States customs court imposing an import duty on Canadian-forged auto parts, which appears to be in violation of the United States-Canada car pact.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the Minister of Industry, Trade and Commerce has the answer to this question and I am sure he will give it to my hon. friend the next time he is in the House.

* * *

NATIONAL SECURITY

REPLACEMENT OF PUBLIC ORDER (TEMPORARY MEASURES) ACT—OPPORTUNITY FOR DEBATE

Mr. G. W. Baldwin (Peace River): I have a question for the Minister of Justice. As there are only six more parliamentary days before April 30—I am sure the minister is well aware of that—can he advise the House if the internal difficulties that the government has experienced in connection with the type of measure to replace or deal with the Public Order (Temporary Measures) Act have been resolved? Can the minister now tell the House in what form the government intends to introduce discussion of this matter in the House, and will he repeat the assurance that it will be in such a form as to permit the House to debate and discuss the matter and give the government the benefit of its advice?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I am not going to accept the preamble to that question. The Prime Minister dealt fully with the same question yesterday. Certain issues will be brought before the House in such a form that the views of the House may be ascertained.

REPLACEMENT OF PUBLIC ORDER (TEMPORARY MEASURES) ACT—CONSULTATION WITH PROVINCES

Mr. David MacDonald (Egmont): Mr. Speaker, can the Minister of Justice inform the House whether, prior to the introduction of any measure in the House, there will have been consultation with the provinces on the nature of any provision that might be put before the House?

Hon. John N. Turner (Minister of Justice): Whatever is put before the House in whatever form, Mr. Speaker, will imply, either before or after, very close consultation with the provinces.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, may I direct a supplementary question to the Minister of Justice.

As the Public Order (Temporary Measures) Act will expire on April 30, can the minister tell the House whether he met the Minister of Justice of Quebec lately to discuss the special powers or whether he has replied to the letter from Quebec requesting an extension of these powers?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, when I met the premier of Quebec some two weeks ago, to discuss negotiations on the revision of the Constitution, we discussed the Act which is now in force and the possibility of passing a new one. The premier of Quebec had then invited the Minister of Justice of Quebec, Mr. Jérôme Choquette, to take part in these discussions.

* * *

[*English*]

TRANSPORT

COMPULSORY PROVISION OF STRONGER BUMPERS ON AUTOMOBILES

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, may I direct a question to the Minister of Transport? Having in mind the action taken by his counterpart, the Secretary of Transport in the United States, requiring that all passenger motorcars by a certain date in 1972 be equipped with proper defence bumpers to replace today's costume-jewelry type bumpers, can the minister inform the House whether similar consideration is being given to such a requirement in Canada?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, the officials who have responsibility for auto safety are now devising new regulations with regard to automobile bumpers. As a member of the committee I believe the hon. member knows that the situation is that we work closely with the American safety authorities in this regard. I would expect that our standards will be similar and certainly not less than theirs.

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[*Translation*]

REGIONAL ECONOMIC EXPANSION

QUEBEC—REQUEST FOR INTEREST-FREE LOANS FROM FEDERAL GOVERNMENT

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to direct a question to the Prime Minister. It has to do with the visit by the premier of Quebec to various European countries.

Since Mr. Bourassa has made it known that the purpose of his trip is to obtain investments for Quebec, an expanding province, did the premier of Quebec—or his government—make an official application to the federal government or to the Canadian International Development Agency to obtain interest-free loans for the development of the province?

[*English*]

Mr. Speaker: The hon. member for Saint John-Lancaster.

[*Translation*]

Mr. Fortin: Mr. Speaker—

Mr. Speaker: Does the hon. member want to put a supplementary question?

Mr. Fortin: Yes, Mr. Speaker.

In the light of the very eloquent answer which was given to my first question, I should like to put the following supplementary question: Has the federal government in mind the setting up of an agency which would play the role of the Canadian Development Agency with the various provincial governments in need of money to speed up their economic development?

Mr. Rondeau: Tax development.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we have so many programs which do what the hon. member wants that I do not know why he would like to have an additional one. We have the Department of Regional Economic Expansion, we have equalization payments and we have also a series of programs under which the federal government pays to developing provinces huge amounts which will nearly reach one billion this year. These are not interest-free loans but grants taken from the other provinces' taxes. So I am at a loss as to what the hon. member wants to know.

Mr. Fortin: A supplementary, Mr. Speaker.

I would like the right hon. Prime Minister to tell us if he has officially received from the Quebec government a request similar to the one made by the latter to some European countries, asking them for investments in Quebec?

Mr. Trudeau: Mr. Speaker, the federal government does not invest in Quebec in the same way as private European undertakings. The premier of Quebec did not make such a request, which by the way I would find inconceivable.

Mr. Fortin: Mr. Speaker—

Mr. Speaker: The hon. member has already asked two supplementary questions regarding that matter. I will recognize the hon. member later.

[*English*]

For the moment the Chair will recognize the hon. member for Saint John-Lancaster.

[Mr. Fortin.]

INQUIRY OF THE MINISTRY

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Finance. In connection with the preparation of the forthcoming budget, is the minister receiving the active advice of the hon. member for Trinity either through that great, democratic body, the Liberal caucus, or on a personal basis?

Mr. Speaker: Order, please. I doubt whether the question as asked is in order.

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

Mr. Speaker: Order, please. It would have to be a new question because the hon. member cannot ask a supplementary to a question that is clearly out of order.

Mr. Bell: Mr. Speaker, may I direct an entirely new question to the Prime Minister in connection with this matter. In view of the Prime Minister's willingness to forget the past, would he take back the lonely hon. member for Trinity into the cabinet or at least make him a minister of state, because—

Mr. Speaker: Order, please. The hon. member's question is in the form of a suggestion. Again he must assume that it will be considered.

* * *

UNEMPLOYMENT INSURANCE

PURPOSE OF ASSIGNMENT OF INVESTIGATOR TO SYDNEY OFFICE

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is for the Minister of Labour. In asking this question I appeal to his well known sense of justice and fair play. Is the minister aware that an investigator has arrived at the Sydney unemployment insurance office from the regional office at Moncton? Also, after due investigation on his part would he advise whether this man's job is to ascertain who leaked the information that plans were under way to phase out or close down the commission's office in Sydney?

Mr. Speaker: Order, please. I have serious doubts whether the hon. member's question is in order. He will recognize that this is a matter of very specialized importance. I wonder whether the hon. member does not think that this is the type of question which could well be considered at the time of adjournment.

Mr. Muir: Mr. Speaker, on a point of order, may I rephrase my question. May I ask the minister—I realize that he is responsible for the Unemployment Insurance Commission and am aware of his interest in matters of this nature, if he would check with the officials of the Unemployment Insurance office and ascertain if such is the case and that there are Gestapo tactics in the Unemployment Insurance Commission?

Mr. Speaker: Order, please. The hon. member's supplementary or rephrased question is not in order. He is asking the minister to investigate. He has the right to assume that his request will be considered.

CONCENTRATION OF FACILITIES IN MARITIME PROVINCES —ELIMINATION OF EMPLOYEES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, may I ask the Minister of Labour if there are plans at present to further concentrate the facilities of the Unemployment Insurance Commission in the Maritime provinces in one or more centres, thus eliminating employees in such centres as Charlottetown and elsewhere?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I think what both hon. gentlemen probably are referring to is that, in conjunction with the proposed legislation that I hope will be adopted by the House very shortly, there will be a reorganization within the Unemployment Insurance Commission, precisely as hon. members opposite have been asking for the last couple of days, in order to provide better service for the Canadian public. This is the prime responsibility of the Unemployment Insurance Commission. I can assure the House, however, that in this reorganization we do not contemplate reducing the work force in the Unemployment Insurance Commission.

Mr. Donald MacInnis (Cape Breton-East Richmond): A supplementary question, Mr. Speaker. The Minister of Labour avoided answering the question asked by the hon. member for Malpeque about the matter of concentration. Is it not true, despite the minister's several assurances to the contrary, that the Unemployment Insurance Commission has shown a film across the country which indicates that their program is directed toward centralization?

Mr. Speaker: The hon. member's supplementary question is in the form of an argument. He has asked the minister whether it is not true that such and such a thing has happened. Perhaps the minister might like to reply to the question. It seems to me, however, that the question was asked in an argumentative form. I will not be argumentative and will therefore invite the minister to reply.

Mr. Mackasey: Mr. Speaker, it is quite obvious that some of the functions now carried on across the country will be centralized. This is quite consistent with the introduction of modern communication techniques and with the introduction of computers, for instance, which make it possible to centralize certain functions in particular areas. The point I wanted to make is that this will not necessarily mean any reduction in staff in the local areas. It will simply mean that employees will be trained to perform some other function.

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

Mr. Speaker: Order, please. Two hon. members seek to ask supplementary questions on this subject, but we have only a few moments left. I wonder whether we might not go to the next subject.

Inquiries of the Ministry

EXTERNAL AFFAIRS

INTRODUCTION OF BILL IN UNITED STATES CONGRESS TO ABOLISH GREEN-CARD COMMUTER SYSTEM

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, may I direct a question to the Minister of Manpower and Immigration. Does the government plan on taking any action or holding any discussions in respect of the bill introduced in Congress earlier this month that would abolish the so-called green card commuter system under which thousands of Canadians cross the United States border each morning to work and return home in the evening?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the question is, of course, one of great importance to us and to many Canadians. Accordingly we are watching the situation very closely.

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INDIAN AFFAIRS AND NORTHERN DEVELOPMENT

SUGGESTED VISIT TO RUSSIA BY STANDING COMMITTEE

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development. In view of the very great amount of knowledge regarding native peoples and national parks which the minister and his group gained from their trip to New Zealand and Australia, is the minister now prepared to recommend that the Standing Committee on Indian Affairs and Northern Development make a trip to northern Russia for a similar purpose?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): The business of the committees of the House does not fall within the authority of the minister but within the authority of the members of these committees.

* * *

[*English*]

GRAIN

WHEAT—PROVISION OF ADDITIONAL BOXCARS TO EXPEDITE MOVEMENT FOLLOWING RAILWAY STRIKE

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Transport. He may want to discuss this matter with his colleague, the minister responsible for the Wheat Board. In light of reports emanating from the western grain trade to the effect that a reduction in wheat sales of some 50 million bushels in the current crop year will result from the recent rail strike in the western regions, will the minister make a special effort and prevail on the railways to provide an extra allocation of rolling stock with a view to recouping the lost grain movement before the end of the current crop year?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. I will be glad to take the hon. member's advice about consulting with the minister responsible for the Wheat Board, and I have already made similar representations to the railways.

Inquiries of the Ministry

TRANSPORT

REVIVAL OF NEWFOUNDLAND RAILWAY PASSENGER SERVICE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is also for the Minister of Transport. In view of the Canadian Transport Commission's new objective, released yesterday, to develop a basic transcontinental railway passenger service which will satisfy the needs of the travelling public, and in view of the commission's firm decision that transcontinental passenger service will be continued, is it the intention of the minister to submit requests or suggestions to the commission to revive now the Canadian National passenger service in Newfoundland in order to make the system truly transcontinental?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, if I may borrow one of your phrases, the hon. member's question is in the form of a representation and he can only assume that it has been noted.

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NATIONAL PARKS

SHIP HARBOUR—PREVENTION OF LAND SPECULATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, may I direct a question to the Minister of Indian Affairs and Northern Development. In view of widespread rumours that have very serious connotations, can he inform us whether he has consulted or will consult with the officials of the government of Nova Scotia with a view to taking steps to preclude land speculation in connection with the proposed Ship Harbour National Park?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, as far as the possible location of a park and the control of the land where it will be are concerned, the government of Nova Scotia has the exclusive power to take the necessary steps liable to prevent any speculation on that land. We will have no jurisdiction until an agreement has been signed by the two parties.

[*English*]

Mr. Forrestall: In view of alleged widespread speculation involving one of the worst types of crime that can be perpetrated against the public purse, would the minister undertake to satisfy himself and the House that the rumours are false, or otherwise?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I do not want to know whether or not there is speculation, but I will relay the hon. member's representations to the government of Nova Scotia.

[Mr. Jamieson.]

[*English*]

HEALTH

INTRODUCTION OF LEGISLATION RESPECTING CIGARETTE ADVERTISING

Mr. William Knowles (Norfolk-Haldimand): My question is directed to the Minister of National Health and Welfare. In view of the fact that last week in St. Thomas the hon. gentleman declined to give any information about the proposed legislation relating to tobacco advertising but said he would do so in the House of Commons, does he propose to introduce this legislation for first reading and make a statement or has he now decided to listen to reason and not introduce the bill at all?

Mr. McCleave: Put that in your pipe and smoke it.

* * *

CANADIAN PACIFIC RAILWAY

SUGGESTED PENSION INCREASES FOR RETIRED EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Transport. Is the minister now in a position to report to the House on the success of his efforts to persuade the Canadian Pacific Railway to grant pension increases to its retired employees similar to those granted to pensioners of the Canadian National Railways?

Hon. Donald C. Jamieson (Minister of Transport): I can report success in conveying the message effectively, I think, but beyond that I have nothing to report.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Will the minister press on?

Mr. Jamieson: Yes, Mr. Speaker, I will press on.

* * *

AIRPORTS

STE SCHOLASTIQUE—JURISDICTIONAL DISPUTE BETWEEN FEDERAL AND QUEBEC GOVERNMENTS CONCERNING PROJECT WORKERS

Mr. Gordon Ritchie (Dauphin): I have a question for the Minister of Manpower and Immigration. What is the major issue in contention between the federal government and the government of Quebec regarding manpower difficulties in the construction of the airport at Ste Scholastique, and are similar disputes likely to arise in other provinces?

Mr. Speaker: I doubt very much that the hon. member's question is in order. It seems to me it is a question which invites a very general statement and I would think that kind of information ought to be given to the House on motions.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask the Prime Minister a question.

Yesterday in reply to a question from the hon. member for Hamilton concerning the Ste Scholastique airport and in view of the conflict between the federal and provincial jurisdictions in labour matters, the Prime Minister stated that he would try to help Quebec to find a solution, adding that he was pursuing his efforts to come to an amicable agreement.

In view of this answer and the existing conflict in this matter, is the Prime Minister ready to make a statement to clarify the existing situation as soon as possible?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have nothing to add which may clarify the situation. The positions of all parties are publicly known; everyone knows the part played by the government of Quebec, the unions and the federal government in this area. There is no statement to add to this.

[*English*]

Mr. Lincoln M. Alexander (Hamilton West): I should like to direct a supplementary question to the Minister of Labour regarding the Ste Scholastique confrontation. Is there to be a meeting between himself and the provincial Ministers of Labour this week and, if so, has the Minister of Manpower been invited to take part in the discussions, particularly with regard to Ste Scholastique airport?

Hon. Bryce Mackasey (Minister of Labour): There is a federal-provincial conference of Ministers of Labour taking place tomorrow and Friday, but the Ste Scholastique question is not on the agenda for the simple reason there is no conflict or difference of opinion between the Department of Labour in the province of Quebec and the Department of Labour in Ottawa as far as that site is concerned.

Mr. Alexander: Since there seems to be some conflict between the federal department and the provincial department in connection with pay scales, I would express the hope that the minister might elaborate on this question by way of a statement on motions. My supplementary is really directed to the Minister of Manpower. I would ask him whether he would agree to make a definite statement at the earliest opportunity with respect to the demands made and positions taken by the province of Quebec in this very touchy area in order that the House and the country can be informed completely as to the positions taken in connection with this matter?

Hon. Otto E. Lang (Minister of Manpower and Immigration): If there is anything useful to bring before the House, beyond the positions which have been made public and are known, I will do so.

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[*Translation*]

EXTERNAL AFFAIRS

VISIT OF QUEBEC PRIME MINISTER TO PARIS —HOUSE ARREST OF CANADIAN STUDENTS

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I have a question for the Minister of Justice.

Inquiries of the Ministry

During the Quebec premier's visit to France, several French-Canadian students were placed under house arrest. Has this measure been taken because of instructions given by the Canadian Minister of Justice to the French police and, if so, what were the reasons for it?

Hon. John N. Turner (Minister of Justice): No, Mr. Speaker.

Mr. Asselin: Mr. Speaker—

Mr. Speaker: Order. The hon. member for Joliette.

[*Later:*]

Mr. Speaker: I believe the hon. member for Charlevoix has a supplementary to the question he put a few minutes ago.

Mr. Asselin: Mr. Speaker, I should like to clarify my question for the Minister of Justice since I do not know whether he understood it well. I should like to know whether French-Canadian students were put under private surveillance as a result of instructions given by the RCMP to the French police.

Mr. Turner (Ottawa-Carleton): That question should be put to my colleague the Solicitor General, Mr. Speaker.

[*English*]

Mr. Speaker: Orders of the day.

Mr. Dinsdale: I rise on a question of privilege, Mr. Speaker. I am raising this question at the earliest opportunity and in a manner which will not interfere with the right of backbenchers to ask questions. I wanted to raise it as a supplementary. Touching the matter of correctness of information supplied, the Minister of Labour indicated that there would be no loss of employment as a result of his centralization program. In this connection I would like to give him the opportunity to put the record straight if there has been misinformation inadvertently given. Would this apply to an office such as Brandon which is suffering a reduction in staff—

Mr. Speaker: Order, please. This is not a question of privilege. The hon. member is really seeking to ask a supplementary question, possibly a legitimate supplementary question, but I would respectfully suggest to him that perhaps this might be done tomorrow. I appreciate it is a matter of some importance and that the hon. member is anxious to obtain supplementary information, but I do not think it can be sought and given except by unanimous consent of the House. The hon. member for Brandon-Souris will recognize that other hon. members were deprived of the opportunity to ask questions or supplementaries because we ran out of time. Unless there is agreement on the part of all hon. members to pursue the question further, I do not think the hon. member can do so under the guise of a question of privilege.

Inquiries of the Ministry

Mr. Dinsdale: On the same question of privilege, Mr. Speaker, my point is that the minister has misinformed the House, which I think gives rise to a legitimate question of privilege.

Mr. Speaker: That is not a question of privilege. The minister may have misinformed the House, but unless the hon. member is prepared to make a charge and suggest that the minister has wilfully misled the House, he has no question of privilege. Orders of the day.

[*Translation*]

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

Mr. Speaker: The hon. member for Lotbinière is also rising on a question of privilege.

Mr. Fortin: Mr. Speaker, if I had asked the question during the question period, you would surely have told me I was out of order. Here is my question: What were the fees paid to the firm of Touche, Ross, Bailey and Smart of Halifax for auditing the books of the Cape Breton Development Corporation?

I was told, Mr. Speaker—

Mr. Speaker: Order. The hon. member is out of order. I point out to him that it is against the rules to ask a question after the question period has expired, under the pretext of rising on a question of privilege. If the hon. member really wants to rise on a question of privilege, I shall hear it and indicate to the House whether it is in order and can be discussed. The hon. member for Lotbinière.

Mr. Fortin: Mr. Speaker, I was getting to the heart of the matter.

At that point you called me to order and rightly so. I therefore had the following question put on the order paper: "What is his annual salary?", to which I got the following answer:

Charges are based on services rendered in respect to each year's audit.

Mr. Speaker, that means that a member of parliament cannot find out how much of the public funds have been spent or allotted to certain expenses ordered by the government.

I feel, Mr. Speaker, that my rights are encroached upon in this connection and that I am absolutely entitled to know why the government has appointed that firm, how much it was paid and why this task was not entrusted with the Auditor General of Canada.

Mr. Speaker: Order. I remind the hon. member that he must comply with the Standing Orders of the House. If he wishes to rise on a question of privilege, he must do so in accordance with the Standing Orders, giving the required notice. Now, since the hon. member has not given that notice, he cannot evidently rise on the question of privilege to which he referred.

[Mr. Speaker.]

• (3:00 p.m.)

[*English*]

GOVERNMENT ORDERS

UNEMPLOYMENT INSURANCE ACT, 1971

PROVISIONS RESPECTING INSURABLE EMPLOYMENT, COMMISSION, BENEFITS, PREMIUMS, ADMINISTRATION, ETC.

The House resumed, from Tuesday, April 20, consideration of the motion of Mr. Mackasey that Bill C-229, respecting unemployment insurance in Canada, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I gather there is a disposition to have second reading of this bill settled today and referred to committee for study. At least, that is the case if I interpret correctly the prevailing winds, or lack of the strength of same. My remarks will therefore be brief; I simply want to make two points for the consideration of the committee.

The first point concerns the subject on which I, at least, receive most correspondence with regard to the proposed changes to the Unemployment Insurance Act. I refer to whether or not teachers should be exempt from its provisions. I do not know what the situation is in the rest of Canada, but I do know that in Nova Scotia, and more particularly in the metropolitan area of which my seat forms part, a great number of teachers have been thrown out of work as a result of changes in the economic climate and the policy of the new provincial government. While I used to think that the teachers had made a perfectly legitimate case for not coming within the unemployment insurance provisions because they were a class that had not the same unemployment problems other classes had, I now have to change my mind as a result of the conditions to which I have just referred.

I realize that there are still professional associations representing the teachers that stoutly maintain that teachers should not be part of the class that has to make contributions for unemployment insurance coverage. Although they may speak for the majority within that class, as far as I am concerned if I am called upon to protect the rights of even 10 per cent of a particular group, then I shall stand in Parliament and do my best to protect those rights, and this I do now.

I would also make the other point, which I think is an important one. I do not think that seniority in any profession counts for a damn today, if I may put it as bluntly as that. Times are changing. The fact that somebody is a perfectly good teacher in today's age or was five years ago, does not mean that he or she is equipped to be a good teacher in the Sesame Street type of education that we will have in time to come. In short, the fact that a teacher was good in the past or is good at the present time is no passport to security or to the assurance of a job in that profession, indeed in any profession though especially in the education field, which is responsible for seeing that our children, our children's

children, and anybody else's children for that matter, are taught to be the best type of citizens in today's rapidly changing world. I do not think there can be that much security, that much ossification, in any profession. I could talk about my own profession of the law, or even of medicine, but I shall confine myself to the teachers, and because I mention them by name I hope that no one will misunderstand. I am dealing really with the rapid changes in society and what I think our attitude to society should be.

One year ago I think I would have resisted the proposal of the Minister of Labour (Mr. Mackasey) to put teachers within the concept of universality, but I do not do so today. I do not do so because I know that hundreds of teachers in Nova Scotia will be thrown out of work, as doubtless they will in other parts of Canada as well. I have to think of these people. In doing so, I take the risk that the 90 per cent who will not suffer unemployment will frown on me for what I say; but somebody has to work and fight for minorities, and this is what I am proposing to do.

The ironic thing is that because the minister is introducing universality, and including the teachers within the terms of this act, some unemployment of teachers will result. In short, the municipalities of Canada will have to raise taxes in order to pay their share of unemployment insurance premiums for their teachers. Municipal taxation being what it is today, the more taxes the municipalities raise the more they will have to compress their budgets in other respects. This in turn means that somewhere along the line more teachers will be knocked off the payroll. As I say, this is one of the ironic but immediate results of the minister's policy. Nonetheless, on balance I think we have to support it, and unless there is some very compelling evidence to the contrary given to the committee that is to study this bill, on third reading I shall certainly support the principle of universality for teachers.

The second matter I wish to refer to is one with regard to which I would ask the Minister of Labour's cooperation in adding his thoughts to my own. It is a matter that I have not studied in depth as I should but which came to my mind a few days ago. I have informally scouted it with the minister, and perhaps because of the special role that I have within the ranks of my party in this Parliament it made a greater impression on me. I refer to whether unemployment insurance should be extended to some of the inmates of federal penitentiaries in Canada. I have uttered what to some is a fantastic proposition, one that most people would regard as absurd—not irrelevant, but at least absurd. However, I think the suggestion demands a public airing, and I should like to pursue it for a moment or two before terminating my contribution to this debate.

When the Standing Committee on Justice and Legal Affairs visits certain federal penitentiaries, its members are always taken to the workshops and made well aware that within these institutions there are hundreds of men and some women who are given specialized training each year as mechanics, tailors, barbers and the like. It seems to me that surely we can devise some sort of formula to bring them within the operations of the Unemployment Insurance Commission. I do not know how this can be done. Perhaps this proposal has never been set down on paper. But I hope that both the Unemployment Insurance Commission and the people who are charged with the responsibility for correctional services in Canada will give some thought to the proposal so that when the bill is before the committee they can say whether the idea is or is not feasible.

• (3:10 p.m.)

I should like to give the House some idea of the numbers involved here. I quote these figures from page 58 of the Annual Report of the Solicitor General of Canada 1969/1970. In that fiscal year—it is called a fiscal year rather than a penitential year—those on the registers of federal institutions in Canada, of which institutions there would be a little more than two dozen, totalled 7,009 males and 109 females, for a total population as of April 1, 1969 of 7,118. Of those, 4,180 men and 71 women were admitted during that year. There were 5,860 transfers in and 5,860 transfers out. There were 1,896 males and 35 females who received direct discharges at the expiration of their sentence, and 1,947 males and 45 females who received direct discharges by parole. The total discharges for either expiration of sentence or parole amounted to 3,950 males and 81 females. As of March 31, 1970 the number of inmates registered was 7,239 males and 99 females, so there was an increase of about 200 in the prison population as of that time.

On the basis of these figures, I suggest we would be dealing in terms of unemployment insurance with at least several thousand people. Perhaps all 7,000 would not be getting unemployment insurance as a result of being inmates in a federal penitentiary at one time, but this scheme could cover a fair number of them, thereby providing some relief from the anxieties they face when they come out into the world. The lack of funds is probably a major reason for recidivism; that is the return of a former inmate to his criminal tendencies which gets him back in the penitentiary.

This is not a revolutionary idea. People have thought of this before. I think with a little coaxing the John Howard Society might be tempted to give some advice to the committee and the minister. I am sure the personnel of correctional services in penitentiaries are responsible people. The officials of the Unemployment Insurance Commission must have some ideas in this regard. Members of these bodies, as well as officials of the manpower office, have a responsibility to come forward and present their ideas along this line. These people might be very unpopular if they expressed views in favour of this suggestion, in view of the fact that a few hardened thugs managed to persuade a great number of other people to ransack the Kingston penitentiary. I hope we will not be so emotionally upset by what happened there that we will turn our backs on an idea which makes sense.

Within the penitentiary set-up there is training so that the occupational skills of the inmates can be used. They

are engaged in productive enterprise. They fix up cars, make suits and the like. This may be done under a system where they return to the institution at night instead of going to the friendly local tavern to take advantage of that atmosphere. This system involves work and it gives a little dignity to these people who, for the most part, have none. For these reasons, I hope the minister will indicate during his reply on second reading that he intends to commence studying this proposal, and I am very hopeful that something will result from the suggestions I have made this afternoon.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, this bill is of very great interest to a great many people in my riding, indeed to a great many people in the Vancouver area and in the province of British Columbia. These people, being British Columbians, are inclined to concentrate on the features which fall short, even before they consider the good things because they know the evils and bitter results of unemployment. These people want me to make it perfectly clear that they do not consider this bill as being a cure for unemployment. They want it made abundantly clear to the people in this House, and in this part of Canada, that there is a wide sector in this country which will be affected by this bill only in a marginal way. A great number of people will not be covered or looked after by it. It is not the perfect umbrella for all of those in the working force caught out in the rain of unemployment. It has shortcomings which the committee will be dealing with as they did during the consideration of the white paper.

Recently I had an opportunity of meeting with a large number of representatives from various labour unions in the Vancouver area. They emphasized that the two-week waiting period was much too long, and that this waiting period worked out to three weeks under certain circumstances. And construction workers in many cases must establish two qualifying periods each year. As a result, the waiting period for them is often closer to five or six weeks during the course of the year.

These representatives asked me also to point out the lack of a definition of earnings as one of the shortcomings. They feel it is unfortunate that a definition of earnings is not in the bill but is to be left to regulation. They feel that earnings should not include what they may be able to pick up casually during this waiting period, or what they might obtain in some other way. They feel that the definition of earnings ought to be very lenient and broad.

These representatives do not like the 4 per cent unemployment threshold upon which the government assumes the burden of unemployment insurance. They feel that if the government accepts the figure of 4 per cent before assuming responsibility this will become the acceptable minimum rate of unemployment. The unions in my part of the country, and I believe all across Canada, do not feel that a 4 per cent level of unemployment is acceptable.

On the other hand, they and I believe that this bill is an improvement over the present one in many areas. A great many people believe that if anyone can save this government from going down the drain it is the Minister of Labour (Mr. Mackasey), and that by bringing forward this piece of legislation he may do a lot in that direction. That is because the minister has shown some conception of the conditions working people are up against when faced with interruption of income.

My colleague, the hon. member for Winnipeg North Centre (Mr. Knowles) has gone over the major points of the bill very thoroughly. There are only two features of it I wish to deal with in detail. Our colleagues who are members of the committee will go into all the points I have mentioned as well as a great many others. I should like to refer to that part having to do with the inclusion of benefits for sickness and maternity.

• (3:20 p.m.)

As members of this House are aware, I have been trying for the past three sessions to introduce a bill which would handle the question of maternity benefits and the allied question of maternity leave. I believe when the minister gets around to his second piece of legislation concerning labour standards we will then have, with the provision in the unemployment insurance bill, what I was seeking to accomplish in my private member's bill which could not be received. As a matter of fact, because one member of our group last evening opposed the inclusion of maternity benefits in this legislation, I wish to make it abundantly clear that my colleague from Winnipeg North Centre and I have spoken out very clearly in favour of the inclusion of maternity benefits in the unemployment insurance legislation. As proof of this I should like to read what I said on November 3, 1970 when I spoke on my maternity leave bill which the House very kindly permitted me to introduce, having first of all eliminated the money provision which will now be looked after under this proposed legislation:

> The great value of the unemployment insurance proposals is the fact that during her 15 weeks of absence due to pregnancy the woman will receive two-thirds of her previous earnings. I should very much like to have been able to bring in a similar proposal in this bill, but the rules did not permit me to do so. However, I shall content myself with congratulating the minister and supporting his proposal fully.

I wish to reiterate that today. I believe the minister is to be congratulated for having brought in the maternity benefit provisions in this legislation. I know it was not easy for him to do so because there were many people—employers' representatives—who appeared before the committee when the white paper was under discussion who tried their level best to have this provision removed from the legislation. It might be that there is a better way in which to bring in maternity benefit legislation. But in the absence of such proposals, I would not want to miss the opportunity we have to include it in this legislation.

I should like to say this is a good provision. It has been long anticipated and desired by women. The minister, when speaking on the 19th of April a few days ago, stated the case very clearly and eloquently. He stated it

much better than I could have done myself. For this reason I wish to quote his words:

> I think that before we get too smug about women in the work force, we should realize it is a sad commentary that at least one million women in the Canadian work force are in it not because they want to buy a second automobile or a coloured television set but because their income means the difference between poverty and survival. When, in such instances, a woman is deprived of her income as a result of maternity, this creates a terrible hardship. I am hopeful that drawing unemployment insurance, after a two weeks waiting period, for at least 15 weeks will help the working mother.

I wish to echo the sentiments of the minister in this regard. Yesterday it was stated that it was a poor idea to provide maternity benefits in this legislation because maternity is not a predictable interruption of income. I would indicate that the reasoning behind the introduction of this benefit is precisely the reasoning behind the introduction of sickness benefits. Sickness is not a predictable interruption of earnings either. One cannot predict when sickness will hit a worker either male or female. If any member in this House believes that maternity is a predictable occurrence or a predictable hazard, I believe he should take another good look around him in this twentieth century. A realistic look at the birth statistics in this country today would lead anyone to conclude that maternity is not a predictable hazard any more than sickness is a predictable hazard. This is precisely the reason I and others wish to see birth control and contraceptive information publicized in this country.

Maternity is a hazard of the most unpredictable kind, probably even more so than sickness if such is possible. The number of women who can be affected is very great. Of all female employees covered under the Public Service Employment Act, 57.4 per cent, nearly 60 per cent, have children and 46.3 per cent, nearly 50 per cent, of these women are the sole support of their children. In spite of these facts, women are treated as though they are temporary accidents in the labour force and as though if they are made sufficiently uncomfortable they might go away. This provision in the unemployment insurance legislation is a recognition by the minister that women are in the labour force to stay, that women have every right to have time off in order to give birth to their children in safety and comfort and have them looked after so that they may become the future citizens on which the whole community will depend. I wish to congratulate the minister, not only for his good political wisdom and sense but for his humanitarianism and farsightedness in this regard.

Now, I should like to deal with a point which has been touched on in a slightly different way by the hon. member for Halifax-East Hants (Mr. McCleave). I refer to the inclusion of different types of workers under the unemployment insurance legislation, and more particularly teachers. We in this party have long held that all working people ought to be covered by unemployment insurance. I am very glad the minister is insisting that fishermen be covered under this legislation until some other coverage is provided for them. I should like to see seasonal workers treated in the same way. Until other provisions can be made available to them, I believe they should be given some coverage under this legislation. I hope the minister will not rest content until seasonal workers are given some other kind of coverage to protect them against the hazards of unemployment. Certainly, when there is a policy which involves the buying up of boats and depriving the smaller fishermen of their employment we must have some kind of umbrella under which they can be looked after until such time as they can be reabsorbed into other employment.

I believe, however, that other groups should be included in this scheme as well. In addition to teachers, it should include doctors, lawyers, engineers and other people including the self-employed. These people should also come under unemployment insurance. I am glad we have changed our attitude in respect of teachers. I believe teachers, doctors, lawyers and other people have previously been left out because of a basic hangover from the old days when professional people were considered to be a class above and apart from people in working class groups. Today, these people are beginning to be regarded as forming sections of the people who work in the community. I should like to see a revision of the Unemployment Insurance Act which would include doctors, engineers, lawyers and other people who are in a more secure position perhaps than others. I remember the occasion years and years ago when Sir Winston Churchill introduced the social security scheme in Britain which was based on the Beveridge Report. At that time Winston Churchill used this phrase. He said: "This legislation aims to bring the magic of averages to the rescue of millions". It is bringing the magic of averages to the rescue of millions which makes any of these social insurance schemes work. If we bring in just the bad risks, it will cost these bad risks more and the coverage will be less good. We have to bring in the good risks in order to cover the poorer risks—the less secure people—to the fullest possible extent and to give them the best possible coverage.

• (3:30 p.m.)

A few years ago, before the conversion of the hon. member for Halifax-East Hants (Mr. McCleave), some of us felt that, precisely because teachers and other groups were in a more secure position, they should be included in this legislation. I have made this argument to the teachers before now. For years as a property owner in Vancouver, which I am not now, I paid school taxes on my property, even though I had no children. Why was that? The fact that I had no children did not mean I had no responsibility for children. The community's children were my children and it was in my interest, not only from the standpoint of being my brother's and sister's keeper but from the standpoint of self interest, to pay my share of school taxes. Educated children mean educated citizens. Educated citizens are good citizens, not only physically but emotionally and in every other way. In the same way, because teachers were in a more secure position I think they should have been included years ago in the legislation so as to lend their greater strength and greater security to the scheme.

However, I now think like the hon. member for Halifax-East Hants, that teachers are experiencing the same insecurity, although maybe to a lesser degree, as the people now covered by unemployment insurance. Teachers today are coming to realize that they also need unemployment insurance. I foresee the time when even doctors, lawyers and engineers will be glad to come under the umbrella of the community in the form of unemployment insurance. I think the day is coming, and I am glad to see it coming, when they also will be brought under this umbrella. So, I believe that we should provide the widest possible coverage under this legislation.

The argument has been advanced that if teachers are brought under this scheme they will have to gouge school boards for higher salaries so that they can afford to pay unemployment insurance contributions. The school boards, in turn, will have to gouge the public so as to obtain more funds in order to pay the gouging teachers to pay the gouging Unemployment Insurance Commission. I think this is the reddest of red herrings that could be drawn across the trail. If the process of gouging has the effect of making Ottawa realize that it has to divvy up its taxes with the municipalities on the basis of their need, so much to the good. If the municipalities, teachers and other people at the local level need more money, it will be but an additional piece of leverage to get Ottawa to redistribute the taxes that it collects in a much more equitable manner between Ottawa and the municipalities of the country which really need them. If the provincial moneybags find themselves caught in the middle of the process, we shall still have to find a way of bringing the municipalities in on the consultation.

We in this party are thoroughly in favour of this Unemployment Insurance Act as far as it goes. We think that it can be improved. I, for my part, would like to see these improvements given very close attention because they are the product of the experience and the thinking, not only of labour unions across this country but of a great many professional people who are now coming to realize that this is also their scheme. The sooner they are brought in under it, the more secure they will be and the broader and more safe the unemployment insurance scheme will be.

Above all, I want to put in a word for the women in the labour force of this country who now know that one of the great hazards to the security of their homes and their children will be removed. They will now be able to take time out to have their children in an honest and straightforward way, to make arrangements for them and to go back to the labour force, with their seniority and job rights protected—that is, when this legislation is complemented shortly by that under the Canada Labour (Standards) Code. So, I feel that the minister deserves a great deal of credit for swimming against the mainstream of his party's policy, which I feel he is doing in this regard.

Mr. Speaker: Before the Chair recognizes the hon. member for Ottawa West (Mr. Francis) I should tender apologies to him. The Chair has attempted to alternate speakers during this debate from one side of the House to the other. After the hon. member for Halifax-East Hants had completed his remarks, I proposed to give the floor to the hon. member for Ottawa West, but I am afraid I was mesmerized by the hon. member for Vancouver-Kingsway (Mrs. MacInnis). At present the Chair having presented apologies to the hon. member, will recognize the hon. member for Ottawa West.

Mr. Knowles (Winnipeg North Centre): Good for you, Sir.

Mr. Lloyd Francis (Ottawa West): I agree with you, Mr. Speaker, that all of us have been mesmerized by the fine speech by the hon. lady who has just spoken. I find myself in substantial agreement with what she said, which is not always the case, but this afternoon I found her remarks to be particularly interesting.

In introducing the debate on second reading, the minister, who is now in his seat, said that the legislation had been drafted on what he said, in a casual way, was the unanimous report of the committee examining the recommendations in the white paper. The hon. member for Hamilton West (Mr. Alexander) then rose and said it was not quite an unanimous report but rather one that was adopted on division. I think the debate has shown the extent to which there has been agreement coming from the committee. I was one of those who attended most of the committee's sittings. We heard a number of very forthright briefs attacking the principle of the legislation and the basic features proposed in it. But I suggest that anyone reviewing the *Hansard* record of this debate and reading the speeches of the hon. member for Hamilton West, the hon. member for Winnipeg North Centre (Mr. Knowles), who are both in this House at present, the hon. member for Kamouraska (Mr. Dionne) the leading spokesman for the Creditiste party, and the chairman of the committee, the hon. member for Scarborough West (Mr. Weatherhead) would, I think, be more impressed by the degree of unanimity than by the amount of criticism and difference. There are things that can be done to improve the bill.

Mr. Alexander: Mr. Speaker, I rise on a point of order. I dislike interrupting the hon. member's fine speech up to this point but in order that the record be clear may I point out that the reason I mentioned that the standing committee's report was not unanimous but was passed on division was that the Prime Minister (Mr. Trudeau) had indicated earlier, in regard to the Public Accounts Committee, that he did not understand why the opposition was questioning the report of that committee since it was unanimous. Surely, the hon. member would not want me to fall into that trap. This was the reason I pointed out the lack of unanimity, and the minister then expressed his regrets for having indicated that it was a unanimous report when, in fact, it was passed on division.

Mr. Francis: I certainly accept the hon. member's remarks. All I was trying to do was to indicate the

degree to which there was basic agreement on the bill. This was the only purpose I had in mind. I certainly recognize that there are differences; the hon. member's speech made this abundantly clear. We can anticipate that at the committee stage a number of amendments will be proposed. The hon. member who has just spoken is a very highly regarded member of this House, and I am sure he does not misunderstand anything that has been said from this side.

• (3:40 p.m.)

But, Mr. Speaker, one of the things that was attacked before the committee was the provision of sickness benefits. I have not seen any statement, or heard any member of this House say, as was said before the committee, that the principle of establishing a new type of administration within the Department of National Health and Welfare, which would in effect duplicate the provision of an administration for collection of contributions, the determination of eligibility for payment of benefits, and so on, makes sense. But we had that kind of argument put before us, not once but frequently, in a series of briefs that came before the committee.

I note, for example, that the question of the need for co-ordination of this measure with other social measures has been mentioned by a number of speakers, and I am sure will again be examined in committee. Some of the benefits for those with lower incomes are not going to be adequate. Those in the categories of lower incomes are certainly going to find the initial waiting period difficult. There will have to be a measure of co-ordination with the Canada Assistance Plan to take care of situations where there will be genuine need, especially, in the case of families and dependents. This, we know, will have to be done, and I think all hon. members recognize it. But the problem is the most effective means of working out the arrangements that will be recognized as necessary.

I think, Mr. Speaker, that there is a surprising degree of acceptance of the principle of universality. I say surprising because of the attacks, again that were made in some quarters, in the representations before the committee. The principle of universality has perhaps been attacked most vehemently by the spokesmen for the teachers groups. I found the remarks of the hon. member for Winnipeg North Centre (Mr. Knowles), of the hon. lady for Vancouver-Queensway (Mrs. MacInnis), and of the hon. member for Hamilton West (Mr. Alexander) in particular—

Mr. Knowles (Winnipeg North Centre): She may be a queen but the constituency is Kingsway.

Mr. Francis: I thought I said that, but I am getting a little flustered this afternoon. I found their remarks particularly interesting in this respect because all of us, after hearing the evidence, after listening to the teachers' delegation, after reading their brief and meeting with them, are substantially convinced that we should not breach the principle of universality under the bill for this group or any other group.

Indeed, the criticism, such as it was, that came from the other side of the House concerned the inability of the government to bring within coverage of the act certain categories of self-employed persons. I believe it was the hon. member for Hamilton West himself who said that unemployed persons cannot be really unemployed as a result of their own decision. He gave a definition that unemployment is not unemployment when it is self-induced, self-inflicted, or a matter of choice. This is exactly the problem in self-employment. The decision of someone to go into an individual type of practice, in a profession, in a business or service trade and the decision when to cease employment is a decision made by one person. This type of decision should not render the person eligible for benefit.

The problem of working out administrative devices and checks to prevent abuse in the self-employed area is very difficult indeed, and it is precisely for administrative reasons that the government has not moved in this area. It is not for reasons of principle. If we could devise the means I am sure the minister would be delighted to accept the idea of bringing self-employed persons within the act. He would have to be certain there would be some type of objective determination of unemployment, some type of protection against intentional abuse. Hon. members on the other side of the House who said we should be covering such persons did not offer any specific means of doing so. They merely said that something should be done in this respect.

At this stage of the debate, Mr. Speaker, it is not easy to add very much that is new, but I want to touch on one area in particular where I think we should try to set an example. I hope the provinces will not opt out of coverage for provincial civil servants under the act. I hope they will recognize the virtues of the principle of universality as such, that they will elect to have their public servants covered under the act, just as the federal public servants will be covered.

I also hope that at committee stage there will be a close examination of the problem raised by the hon. member for Winnipeg North Centre, namely, how to cover Members of Parliament themselves under such a scheme, not that I am so worried about large scale unemployment in this area.

Some hon. Members: Why?

Mr. Francis: I have not found it very hazardous employment. But the hon. gentleman pointed out that there are certain pension provisions that intervene, and anyway a number of hon. members have means of going to other employment very readily. However, there are some who may be getting a little on in years and for whom interruption of service in this place would create problems of adjustment. I am not thinking in terms of benefits to hon. members but in terms of the principle of universality.

A number of the teacher groups have thrown this in our face. They have said to us, "You are not covering Members of Parliament, so why should you cover us"? I think we should, at least for the sake of moral example,

consider covering Members of Parliament. However, the problem here is in terms of defining an employer. An employer of a Member of Parliament does not exist in the same concrete sense as an employer does for other people who are on a payroll. But, Mr. Speaker, there is a precedent. When it came to the enactment of the Canada Pension Plan a special wording was adopted which had the effect of maintaining the tax exempt status of the contributions made by members to the Canada Pension Plan, and also in effect permitting the government of Canada to make its contribution as an employer for this particular group. I have had some discussions with public servants who are in charge of administering this area, and I do not think there is any insuperable difficulty in adopting the wording that was used for the Canada Pension Plan. This would call for an amendment at the committee stage, and I sincerely hope that hon. members who serve on the committee will give consideration to doing this.

I think the principle of universality is something that should be respected for all groups. I think that the moral example should be set by hon. members in this place. I think that the problem is of sufficient magnitude that it warrants a special amendment when we examine the legislation in committee.

In opening my remarks, Mr. Speaker, I said that the debate has revealed the extent of agreement much more than the committee proceedings would reveal. I think the agreement by members of all groups represented in the House on the general features of the legislation is something that stands out in the *Hansard* record, but there is no question that at the committee stage the usual careful examination clause by clause will be conducted by members of the standing committee to which the bill will be referred. I look forward to the opportunity of participating in at least some of the committee sessions at that time.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, on rising to make a few remarks on this bill I do not wish to repeat what some of my colleagues, both in my own group and in other groups, have said, nor do I intend to do so. However, I do wish to deal specifically with a few items. It has been said, and I generally agree, that there are some very good points in the minister's legislation. There are a few that are not so good, and there are quite a few that need a great deal of clarification, which I hope will come at the committee stage. I would like to bring a few of these to the attention of the minister and of his parliamentary secretary.

It was interesting to note during the debate, particularly this afternoon, the references to the principle of universality. I must say that in general terms I quite agree with it, but I must point out that the actuarial basis for unemployment insurance, as it was originally envisaged in the 1930's when it was first contemplated, has been widely departed from in the intervening years. I am not saying that it is not a good thing there has been a departure from this principle. From what I have been able to gather, most members of the House intend to support the bill on second reading, as do I. After certain explanations and clarifications, and perhaps even some amendments to improve the bill, we hope to be able to support it on third reading. Even if the bill has some bad features, one is faced with the situation of not wanting to throw out the baby with the bath water. We will cross that bridge when we come to it and hope that it will not be necessary to give other considerations to the matter.

• (3:50 p.m.)

The first thing I should like to deal with specifically, Mr. Speaker, is the question of administration. Even if legislation is perfect, in theory if not in practice, unless it is well administered and the purposes and objectives carried out, it is of no practical use. During the last couple of years the administration of the present act has deteriorated. I think the previous minister of labour and the present minister have been sold a bill of goods by some well meaning but unrealistic members of the public service. It is all very well for the minister and members of the government to say that they have a wonderful new way of administering the act, namely, by a computer in Belleville. That city is far removed from the industrial heart of the province, not that I have anything against the city, but this could cause endless delays in the payment of claims. No matter how many explanations are offered or how good the plan is supposed to be, the fact is that it does not work very well.

I have been a Member of Parliament for 19 years and until this new system came into effect I had not received more than one or two complaints a year regarding the payment of unemployment insurance claims. We warned the minister what would happen with the new system and our worst fears have been realized. There has been nothing but trouble. Just this morning I received nine letters of complaint from people who were not receiving payments. Fortunately, unemployment in my part of the country is somewhat less than it is elsewhere. I could spend a lot of time going into detail but I do not think it is necessary. I have sent certain suggestions privately to the minister and to other committees of the House. The fact is that the present system of administration, brought in a couple of years ago, simply does not work.

Offices in small, medium and fairly large industrial centres were closed in order to try to standardize claims, but unemployment insurance claims do not lend themselves to standardization, Mr. Speaker. Members of Parliament and civil servants are accustomed to filling out forms but even they sometimes make mistakes. People with language problems and Canadians born in this country but not as literate as they might be, experience difficulty in filling out forms and make mistakes. An incorrect form going through the computer can result in disqualification of the claim.

Then, there is the routine of having the claim reviewed. If the claimant does not live in one of the centres he may have to telephone or travel 50 or 60 miles to get information and clarification. These things annoy working people. The minister has promised to clear them up, and I think he has tried very hard, but it is like the legend of Hercules trying to clean out the Augean stables—an almost impossible task. The old system may have needed improvement but the new one, though it

may make things easier for the staff of the Unemployment Insurance Commission, does not make it any easier for working people to get their claims processed. I hope the minister will try to persuade his people to reconsider the new system using the computer. It would cost a lot of money to get rid of the computer now and restore personal service but I think it might be worth while.

I want to make one thing clear, Mr. Speaker. Any member of this House who represents an industrial area has many complaints. I do not mind dealing with them but there is no reason why working people should experience a delay in having their claims dealt with. They should not have to approach their Member of Parliament in order to have their claims paid. I have had nothing but co-operation from the office in London, Ontario but still, a constituent would not have to come to me if the system worked properly. The minister has given his word to try and improve it and I am sure he will. He would save the time of the members of this House who should be doing other things.

A number of provisions in the bill still need to be clarified. I have read through it carefully and I notice there is provision for a number of regulations. Perhaps the minister will clarify this at the committee stage, although he may have an earlier opportunity to do so. I should like to get clarification on the question of moonlighting. I know that a new clause of the bill provides that if a person does one day's work a week as a cleaner or a gardener, he is exempt. What about the person who works at the steel company of Canada for eight hours a day and then takes an extra job for two or three hours a day, four or five days a week? Is he to pay unemployment insurance? Where is the line to be drawn between working one or two hours a week or three or four? I hope the minister will clarify this situation.

I hope there will be provision for some ministerial discretion in this bill. In the present act there are all sorts of situations which were clearly never contemplated by Parliament and, as a consequence, people have been subject to severe penalties. There is the McKenzie case in my own area. The man had a cattle sales arena and when some of his farmer neighbours brought their cattle in to be sold they stayed to help out. If the sale was a success, they got $5 or $10. If it was not, they got nothing. However, McKenzie was penalized severely for not paying unemployment insurance. It was a ridiculous situation and certainly never one contemplated by the act. I could cite a few more examples but will not take up the time of the House. In that case, I might say, the minister was co-operative and tried to be helpful, but the senior members of the commission did not seem to pay much attention to the minister. When the matter was being discussed with the minister, the commission went ahead, apparently unknown to the minister, and seized the bank account of the gentleman in question. I hope that in future it will be possible for the minister to exercise a little more control over the activities of the senior members of the Unemployment Insurance Commission. They are acting in far too arbitrary a manner, and I hope that the new legislation will enable the minister to exercise more control.

• (4:00 p.m.)

There is something else which ought to be clarified in the new legislation, namely, the difference between an independent contractor and a contractor of service. I admit that even in law, even in regular jurisprudence, it is sometimes hard to tell just who is an independent contractor and what constitutes a contractor of service. The law seems to indicate that it depends on the facts of the case. Time after time this question has come up in connection with the administration of the present act. It would be helpful in the administration of the new act if it could be clearly set out, and possibly this could be done at the committee stage, who, for the purposes of this act, will be considered as an independent contractor and who will be considered as a contractor of service. I say that because much of the time of Members of Parliament has been needlessly taken up in bringing this matter before the commission. I hope that that problem will be clarified at this time.

I come now to something a great many people have spoken about, the question of teachers. The principle of universality in connection with this bill has been mentioned. The hon. member for Vancouver-Kingsway (Mrs. MacInnis) referred to it. The good lady wanted to include doctors, lawyers and everybody else in the scheme. Perhaps that would be a good idea in certain kinds of social communities. I do not think it would be in this one, for the reasons pointed out by the hon. member for Ottawa West (Mr. Francis). It seems to me that we are heading towards some form of guaranteed annual income. I would not disagree with that at all. I think that this probably could be a pretty good idea, depending on how it is worked out.

The late Senator Wallace McCutcheon, who by no stretch of the imagination could be described as a socialist, felt that we ought to have some scheme of this nature. He thought you could probably pay more money to people and raise the minimum poverty level if you got rid of most of the present schemes that provide assistance. He thought that the money you would save administratively would provide a much larger income to needy people. If you abolished half the administrative officials and amalgamated the administration under one department, you could save a great deal of money. I agree. perhaps, that the guaranteed annual income is the goal we should be heading for, and everybody should contribute towards it. I certainly would not disagree with that idea at all; but it would depend, of course, on how it is all worked out. The principle is good, I think, and I gather that the minister is edging in that direction.

I think there ought to be larger unemployment insurance benefits, because of inflation in the country. I agree that larger benefits ought to be paid. What I do not like in the present act and what I do not agree with is this: why should one or two groups be penalized and be discriminated against? You will hear people arguing that we are not really discriminating against teachers; but it certainly appears that way to me. I think, if we are to pay larger benefits, and I think that is a good idea in view of present economic conditions in Canada, we

should all pay towards the plan and not "stick" one or two groups with a large part of the burden. I do not think that is fair.

Then, it is not clear just who is a teacher under the act. I hope the minister will clarify this in his remarks. Apparently "teacher" does not include a university professor. A teacher apparently is one who teaches in a public school or in a high school. That, Mr. Speaker, does not make much sense to me. If a teacher teaches Grade 13 in a high school, he is caught in the new scheme. But if he teaches Grade 13 in a university, and some universities have the equivalent of Grade 13, he is not caught in the scheme. Then, what is the position of these other quasi-universities or colleges as they are known in Ontario, where specialized courses are taught for a couple of years? I am referring to places such as Fanshaw College and Scarborough College in Toronto, as well as other colleges. Are they to be included? I hope that the minister will clarify for us who is to be caught. In other words, when is a teacher a professor and when is he a teacher? I think that some pretty arbitrary lines will have to be drawn, and I hope that the minister will clarify the matter.

Then, we must consider the practical question of how the payment of premiums is to be enforced against the teachers. As I understand it, in the province of Newfoundland teachers are employed directly by the provincial government. That will mean that the provincial government of Newfoundland will have to pay contributions to the scheme. If the government agrees to this there will be no difficulty. Then you come to the province of Ontario, where I come from, where the arrangement is somewhat different. There, we have regional school boards. These, of course, are emanations of the provincial governments or creatures of the province as they are sometimes called in rather unflattering terms. I do not see how, under the constitution, the school boards in Ontario can be made to pay contributions into the scheme unless the provincial government consents. That, of course, is different. Otherwise, there is no way that I know of by which school boards can be made to pay contributions into the scheme, anymore than municipalities can force the federal government to pay municipal taxes on federal buildings. We know that, for practical purposes, grants in aid are made available. However, unless the provinces consent, there is no way in which this provision can be enforced. I hope that the minister will cast a little light on that aspect when he answers some of our questions.

One of the problems that the provinces will have to consider, with the limited tax possibilities at their disposal after the big federal tax grabs over the years, is this: if they agree that school boards are to make these contributions, how are these to be financed? You know, Mr. Speaker, exactly who will pay these contributions. It will be the property taxpayers of the municipalities. The contributions will be passed on to them, and that will add to our current inflationary difficulties. Perhaps the minister will make some comment about that.

That is about all I wish to deal with at present. We hope that the minister, either at this stage of the bill or in the committee stage, will answer some of the questions we have asked about some of these matters. We do not want to vote for a bill or give it our unqualified support unless we know what it is to do or what the answers will be to some of our questions. We look forward with interest to some of the minister's answers.

[Mr. Nesbitt.]

Mr. Craig Stewart (Marquette): Mr. Speaker, after having studied in detail Bill C-229, and after having considered the various representations thereon which I have received from employers and employees who will be affected by its provisions, I am greatly concerned over its inevitable intrusion into the area of municipal taxation. This bill proposes to include municipal employees, teachers, nurses, hospital workers and others whose earnings are either directly or indirectly paid from taxes raised on real property. I am told by school boards in my riding that projections show a one mill increase in property taxes to cover their share of this plan. At a time when the government seems to be so vitally concerned with preventing a second round of inflationary pressures on our economy, I cannot understand why it proposes to include, against their clear wishes, employers and employees in a scheme which is neither needed nor sought by either, and which can only result in substantial additional costs being passed down the line inevitably to the individual property owner.

With the exception of professional athletes, Mr. Speaker, whose proposed inclusion in this act borders on the ridiculous, the other proposed entrants are engaged in occupations which have the highest stability rates of all occupations in the country. These people and I, feel that the government is imposing a selective and discriminatory new form of taxation on them to provide increased benefits both in time and in payments to those people who are engaged in occupations which make them the real beneficiaries of this act. If this is a genuine insurance scheme, then let it operate as such. Let those people who have most to benefit by it, pay premiums accordingly. Let it not be used to implement a policy which is basically dishonest, whereby the government attempts to rationalize bringing under the protection of the Unemployment Insurance Act employees in Canada who least need and who least desire compulsory protection.

• (4:10 p.m.)

One of the bodies from which I received a representation opposing this bill was the Manitoba Association of Schools Trustees. They said, and I quote:

> Our most serious objection to the proposed contribution by school boards is that it would be paid out of money raised entirely by taxation on local property, a source which is already severely overburdened and in dire need of assistance from senior governments. We recognize the constitutional problems which over the years have given federal governments some difficulty in doing what they would like to have done in support of education, but to invade our already inadequate source of revenue would be a most damaging blow to local governments and one which, we sincerely believe, could not really be intended by our national government.

Let there be no doubt in the minds of hon. members that it is not only employers who are opposed to this

legislation. Appended to the minutes of proceedings and evidence of the Standing Committee on Labour, Manpower and Immigration of October 13, 1970 is a representation received from the Manitoba Teachers Society that said, and again I quote:

> Historically, the Society has opposed it on two related grounds. The first of these was that by the nature of their work operating under annual contracts, and because of the shortage of teachers, there would very seldom be times when teachers would actually benefit from an unemployed insurance scheme and that such inclusion would simply mean that there would be one such section of the population, not affected by unemployment insurance, elected to help pay for unemployment insurance and that this would therefore be a discriminatory tax on teachers. The second point was that at a time when the provinces were seeking to get more federal monies for provincial education, the federal government would actually be forcing a flow of provincial education money to aid the federal government for other purposes.

I trust it is now abundantly clear to the government that the economy cannot at this time sustain measures which would result in further tax increases. The effects of the bill before us, if it were passed into law, cannot but be otherwise. To me, as well as to other hon. members, I am sure, it is of great significance that in the white paper entitled "Unemployment Insurance in the Seventies" the government made no effort to document clearly its claims regarding the cost of its proposals to bring about changes in the Unemployment Insurance Act. At current levels of unemployment, I am confident that the unemployment insurance fund will operate at such deficits that it may be necessary for the government to increase premiums far beyond their present levels, thus aggravating an already excessive taxation burden being carried by the vast majority of Canadians, particularly in my province.

Mr. Charles H. Thomas (Moncton): I do not think anyone in the House seriously quarrels with the principle of unemployment insurance, the principle that insurance should be provided to deal with the consequences of involuntary unemployment. Nor do I think anyone seriously quarrels with the idea that the benefits provided under today's legislation are unrealistic and that they ought to be increased so as to be more in line with living costs. But we on this side have serious reservations with respect to many of the clauses contained in the legislation before us, such as the provisions shortening the period of time required for eligibility, provisions for the supervision or lack of supervision, of the administration, and so on. If the government is prepared to accept some of our criticisms, criticisms we believe to be justified and worthwhile, then I am sure this bill will make reasonably good progress. But we are bound to set out our objections in the hope that they will be considered by the government and that amendments will be introduced in committee to correct some of the less acceptable features of this legislation.

There has been a great deal of discussion as to whether this scheme represents insurance or welfare. I do not intend to enter into this discussion myself, except to say that in my opinion many of the features of this legislation amount to welfare rather than insurance. Let me correct some of the statements which have been made by members on the government side. One of their spokesmen said, for example, that when a man buys insurance the amount of the benefit does not depend on the number of contributions he has made. In other words, a man could buy life insurance today, and if he were to die tomorrow, his heirs would collect. This is true, but I should like to point out that if a person sets out to buy commercial insurance, he immediately finds that premiums are rated according to the degree of risk. If I have terminal cancer, or any terminal disease, no life insurance company will insure me. If I have a history of heart disease, I may be able to get insurance but my premium will be rated much higher than that of a healthy person. Similarly, fire insurance is rated according to the degree of risk, depending upon where the property is located and so on. This is something which members on the government side have chosen to overlook or ignore. Then again, the purchase of commercial insurance is voluntary. If I feel my risk of loss is not sufficient to justify the cost of the premiums required, I do not have to take out insurance. In any case, I am not obliged to carry fire insurance or life insurance, for example. But here we are being forced to contribute to a plan whether we want to do so or not. This is another fundamental difference, one which lays emphasis on the welfare aspect rather than the insurance concept.

As an example, may I direct your attention to what I believe to be a glaring weakness in the program? This program would offer insurance to persons who enter employment for a definite, stated period of time, perhaps two months or three months. When they leave that employment they will be in a position to collect benefits. I have in mind students who engage in summer employment. A university student probably takes employment from May 15 to September 15. Both he and his employer know that he will be employed only for a definite period. At the end of that period, he will leave. But, as I understand it, under this legislation, since he has been attached to the labour force, he would be able to draw benefits the following summer. The parliamentary secretary shakes his head. I am glad to note his action. I hope the minister will correct the impression which has been created. This will satisfy one of my objections to the legislation.

• (4:20 p.m.)

Mr. Mackasey: If the hon. member would permit, I just want to make one point. He is absolutely right. A student who draws eight weeks attachment or more to the work force this summer will be entitled to unemployment insurance within a 52-week period provided he cannot find work the following summer. So to that extent it is in his interest. Under the present act if a student works this summer he will pay unemployment insurance contributions but will never draw any insurance.

Mr. Thomas (Moncton): I thank the minister for his intervention which has confirmed my understanding of the act. This brings me to my next point. One of the chief criticisms I have heard made of the present act is that a student is assessed for unemployment insurance

premiums on his summer employment, even though both he and his employer know that the employment is only temporary and that the student will never need the protection of the insurance scheme. I have always believed this to be wrong. This same student will have income tax deducted from his pay. But when he files his income tax return, if he does not fall into the taxable bracket his contributions for income tax will be remitted to him. It has always been my contention that it is unfair to tax a student for the one situation and not the other. If the student is entitled to an income tax rebate, his insurance contributions should also be rebated.

It seems to me that this legislation is a move on the part of the government to correct this situation. In other words, if a student cannot get work the following year he will at least draw a benefit. But I submit that the government is going about this in the wrong way. This will be a very expensive method of reimbursing the student for his insurance contributions. I know I will be told that there are administrative difficulties here, but if the Department of National Revenue can make these repayments, why cannot the Department of Labour? Instead of allowing a student to collect eight to 12 weeks benefits the following year, why can we not tell the student that his insurance contributions will be rebated to him the following year?

I do not want to leave the impression that I am unsympathetic to the plight of students in the summer time. Three of my own children have gone through university and I know the problems that they had to make a little money in the summer to tide them through the following year. But the situation of students in modern society is quite different from that of ordinary workers. Just what is a student's income? Today it is a hodgepodge of summer earnings, scholarships, bursaries, money received from parents and part-time earnings during the winter. So, it is illogical to try to maintain some fictional income for the months of May and June, for example. All I am saying is that if we do want to assist our students—and God knows they need it in view of the employment situation this summer—then let us assist them in some way other than this. Let us assist them through summer employment programs rather than using the vehicle of unemployment insurance as a means of granting welfare assistance to students. This is another reason I and a lot of other critics say that this bill departs from the insurance principle and becomes a welfare measure.

As the House knows, members of my party are not in accord with the principle of establishing an eight-week qualifying period. We think this too short an attachment to the labour force. We think it will lead to abuses by many of those workers who are in and out of the work force almost like a door opening and closing. We think the period is too short and that this is one of the provisions that should be changed; and no doubt amendments by members on our side will be introduced in committee.

The government is preaching universality of this bill. While they talk of universality out of the one side of their mouths, out of the other side of their mouths they tell us that the program cannot be universal, that certain people cannot be included in the program because of administrative difficulties. I cannot buy this argument. I have heard it said today by one member opposite that the self-employed person has freedom of choice in regard to when he is working and when he stops working. This is not quite true. What about the commission salesman who is employed not by one firm but represents half a dozen firms in a given area and works on a commission basis? Under the present act he is not insurable, and as I understand it he will not be insurable under the new act. If I am wrong about that I should like to be corrected.

Even though such a person is employed by several firms, he has no control over his terms of employment. If one of his employer firms suddenly decides to drop one of his lines, then he loses it and that is all there is to it. If he loses five or six different lines, then his employment has gone. This is why I do not buy the argument that a self-employed person has freedom of choice regarding whether the works or not. This argument does not apply either in the case of many franchise holders. Although it might be their own fault, if something happens to take away their franchise then they are out of work; there is no freedom of choice there.

If the minister is going to be sincere when he says this program is going to be universal, then why should not the workers in the two examples I have just given be included in this legislation? I do not buy the argument of universality. After all, the government cannot have it both ways; either the scheme is universal or it is not universal. If we are going to accept the principle of universality then let us make this legislation truly universal. I suggest that instead of 4 per cent of the labour force not being covered, this figure should be reduced to half of one per cent or something like that. Certainly, the scheme should be much broader than it is.

In all this debate to date on this proposed legislation very little mention has been made, certainly by members on government benches, of the over-all cost of this program. We have been told that by enlarging the scheme and spreading the risk we will make this program less costly to those who take part in it. That is only a half truth. As a contributor to the fund, I may find my premium reduced from $1.40 to 90 cents, or whatever the figure is—I am not concerned with exactitude here. However, a steady worker, one who, if this legislation goes through, could be referred to as one of those fortunate people who never happen to be laid off, will find himself paying just as much or maybe a little more than he is at the present time. I say this because in order to absorb the extra cost of national unemployment over 4 per cent, the government will have to draw funds out of general revenue. I have seen various estimates of the extra cost of this program ranging anywhere from $300 million to $500 million or $600 million.

Let us suppose that the extra cost will amount to $400 million. As far as I know, there is only one place where the government can get this $400 million and that is from the taxpayers' pockets. So that a person employed today will have his insurance premium reduced by 30 or 40 cents a week, but at the end of the year when the government has to cough up $500 million he will find

himself paying more income taxes, sales taxes and provincial taxes to cover the cost of extra welfare. I venture to say that in the result he will be paying more for insurance coverage than he is at the present time.

This is a factor that the government has failed to mention, and it is a very important one. As some of my colleagues have pointed out, today taxpayers are about at their wits end. It is all right to say that this program is only going to cost $400 million, but raising this $400 million will mean extra taxes for the taxpayers of this country. This will be an extra tax that is laid on the backs of those people that the government seems to use to fight its battles. The middle income group is the largest taxpaying group and history will probably show it is the group with the best record for steady employment. The more steadily this group is employed the more this scheme will cost it, because this is the group that pays the taxes. I should like to hear something from the minister about this aspect. What does he think this program will cost and can our economy stand it? Here we are facing a battle with inflation which was supposed to have been won in December. That battle obviously has been lost. Unemployment has reached an almost all-time high. How can our economy absorb another $400 million or $500 million per year in taxes?

• (4:30 p.m.)

Let me speak very briefly about another aspect which worries me, and I am thinking of the cost of administration. I am one of those individuals who is not too happy about the administration of the present scheme. I was not happy about the division of powers between the Unemployment Insurance Commission and the Department of Manpower in 1964. I have always felt that the body which handles the funds and decides the eligibility of claimants should also have the power to search out jobs which suit these people on the unemployment insurance rolls. I do not think I am alone when I say that since that division of powers, the administration of the program has become much less controlled than it was previously and that there are far more abuses. I am very critical of manpower policy because I do not feel these officials are making an honest attempt to get people back to work and off the insurance roll. These officials are not equipped to do this and do not have the proper rapport with employers. They do not seem to be able to match the employers' needs with the skills of the employees they have on hand.

When we look at this legislation, we see that it provides for greater benefits, a lesser time for qualification and that it relaxes the present inadequate supervision. Even under the present legislation there is not proper supervision. At one time an unemployed person had to stand in line in order to pick up his cheque. He was told to either go back to work or he could not draw benefits. Today, the unemployed person sits at home and gets his cheque by mail. Under this scheme, that individual will wait for two weeks and then draw three weeks' benefit. It will not matter whether he goes back to work.

The sponsor of this bill has told us it will act as an incentive to people to go back to work. I cannot buy that and I cannot see the logic of giving an individual $150 or $300, then expecting that he will go out and find himself a job. Human nature being what it is, I suspect the tendency will be for these people to wait until the three weeks' benefit is gone and then look for a job. This is what disturbs me regarding the lack of proper supervision and administration of this act. The minister should give serious consideration to bringing these two departments back together. It was a serious mistake in the first place to separate the Unemployment Insurance Commission and the Department of Manpower. It is all right for manpower to carry out certain functions, but I am firmly convinced that we must have one agency issuing money and acting in respect of replacement. Only then will we have control over this program. I seriously suggest that the minister take action in this regard.

I am quite anxious to see this bill referred to the committee for study. I have outlined some of the things I think are wrong with the proposed bill, and I can assure the government that when it gets before the committee there will be amendments proposed by members on this side. I hope the government will take serious note of some of the objections we have raised. They are not frivolous but rather objections which concern us and every taxpayer who today is loaded with taxation. These people do not honestly know whether they should keep on working or go on unemployment insurance or welfare. If the government gives consideration to our criticisms, I am sure the bill will be received favourably in the committee.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, at the outset I wish to assure the minister and hon. members present that I have no intention of prolonging the debate at this time. There are two very good reasons that I should not do so. Most of the things I would like to say have already been said by other members and would only be repetition. As a result of something now before the committee, I feel the remarks I would be prepared to make might be better left unsaid until that committee makes a decision.

Let me ask the minister to give consideration to one problem which has been uppermost in my mind. This provision for placing teachers under the Unemployment Insurance Commission Act can only have a detrimental effect on the communities surrounding my home and other municipalities throughout Nova Scotia. The minister knows of the unemployment picture in my area. He knows that, because of the mining situation, the local school boards have been operating in the red for quite some time.

The inclusion of teachers under the Unemployment Insurance Act will increase the costs to these mining towns by $13,000 or $14,000 annually. The people of these areas are greatly concerned about costs faced by municipal school boards. I am sure these facts have been drawn to the minister's attention. Only two months ago, the committee recommended an exclusion when there was a valid constitutional or administrative reason. The exclusion of teachers in the circumstances to which I have referred could well come within either of those two

categories. The administration of this inclusion will prove costly to these municipal school boards. Under Section 91(1) of the BNA Act, the teaching profession falls within the jurisdiction of the provinces. For that reason, there might be a violation of the constitution if teachers were brought under these provisions. The minister seems to be accepting this suggestion very quietly. Probably he has other ideas in this regard.

Let me draw the minister's attention to the principles of unemployment insurance. I do not think I can do this in a better way than by quoting Sir George Perley who, on March 8, 1935, at a time when the Unemployment Insurance Commission was being considered and some four or five years before it came into effect, said, as reported at pages 1530 and 1531 of *Hansard* for that date:

> Stated in general terms, unemployment insurance can only be satisfactorily extended to persons in employments where there is a material degree of unemployment and where the employment is carried on at such places and under such conditions that it is reasonably practicable to adopt a scheme of unemployment insurance with real advantage to the persons insured.

Sir George Perley was quoting from a memorandum prepared by Mr. A. D. Watson, Chief Actuary of the Department of Insurance, and Mr. M. C. MacLean of the Bureau of Statistics. I think this statement applies as well today as it did when unemployment insurance was in its infancy. There is no real advantage to teachers in buying, as I say, this type of insurance. If there were, I am sure quite a few teachers would be quite willing to come under the Unemployment Insurance Act. As it stands now, however, the majority of teachers throughout this country have the impression they would be paying into an insurance fund from which they would collect no benefits whatever.

• (4:40 p.m.)

Then, there is the matter of the additional cost to the municipalities. In the mining towns in my community, the school boards would be faced with an additional annual cost of $13,000 or $14,000. This is a matter of great concern to them. Of course, it is of concern to the Nova Scotia government, which is doing its utmost to cut back on educational costs, that at this time there is a program being introduced in the federal House which would add greatly to their costs. I understand that the province of Newfoundland hires its own teachers and, therefore, in that case the provincial government would be responsible for every school teacher on the payroll.

I should like to say a few brief words in respect of the questions put to the minister this afternoon concerning the problem of centralization of the different government departments. I should like also to refer to the Sydney area, although it is not in my constituency and, therefore, I am not trying to promote something for my constituency. Sydney is located in the industrial centre of Nova Scotia. When the federal government decides on any centralization program, I believe it should take into consideration the location in which the departments might be centralized. I think, if any centralizing is to be done in Nova Scotia in respect of his department, the minister should give serious consideration to the Cape Breton area, which is the industrial heart of Nova Scotia, and is the area in which the unemployment picture is worse than in any other part of the province.

As I said in my opening remarks, I shall restrict myself to the matter which is before us at the present time. However, in speaking of DEVCO I wish to assure the minister that at no time have I complained of the administration of the UIC or what it is doing in this regard. I repeat this statement in order to assure the minister, and I have given similar assurance to the head of the Unemployment Insurance Commission, Mr. Des-Roches, not only by phone but also by letter. I have given the assurance that the violations which have been carried on by DEVCO are not something for which I am blaming the UIC. But I do believe this is an area in which the minister could exercise his influence so that the men concerned are not deprived of the unemployment insurance payments, not by the UIC but by a Crown corporation. I would ask the minister to give every consideration to providing assistance in this particular area. I believe the minister and the UIC should use their influence in this regard. This matter is well covered in section 58 of the Unemployment Insurance Act and is also covered in the new legislation. There is a provision that no one can touch a man's UIC benefits. There is one exception of which the minister is well aware. The only body which can withhold UIC benefits or take advantage of the UIC fund is the commission itself, since it is authorized to hold back an amount of money which may have been overpaid on a previous occasion. The commission is permitted to withhold that amount of money from the next payment.

There is no provision for anticipation. It is in this area that the DEVCO corporation has gone astray. DEVCO certainly anticipated when it came up with its pre-retirement plan. The idea was advanced that the UIC fund could be used to supplement the first year's retirement of any individual so long as he was qualified to collect UIC benefits. Since we are dealing here with a Crown corporation, I would ask the minister to use his influence and authority by implementing section 58 of the Unemployment Insurance Act to ensure that these men can fully recover this money. The Minister of Regional Economic Expansion (Mr. Marchand) said that these men are entitled to money over and above the pre-retirement leave plan. The Minister of Regional Economic Expansion said that full benefits would be made available. Let members be fully aware of the fact that although I asked about the 10 per cent increase made available on January 3 this year, this is not the question the minister answered on that particularly day. I shall paraphrase what he said on that occasion.

In answering a question at that time, the minister said there had been a meeting of the board of directors of DEVCO in the last few days at which time it was decided to grant full benefits to the retired workers. I ask that this decision be implemented and that the minister use his influence and authority to see that section 58 of the Unemployment Insurance Act is carried out to the fullest extent. I repeat that the answer by the Minister of Regional Economic Expansion on that

particular occasion was not given in reply to another question. I was not asking about any board of directors meeting or the decision made at such a meeting. The impression has been prevalent throughout Cape Breton that full benefits will accrue to those men who have been pre-retired. This can be done under the provisions of Section 58 of the present act, and again I ask the minister to please give this matter his consideration.

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, the measure of the efficacy and value of an act depends much upon the public's estimation of that act. It does not matter whether there is bureaucratic treatment of the legislation because, in so far as good legislation is concerned, it is the public's estimation of it which is important. It is some 35 years since we have had unemployment insurance legislation in this country and, frankly, we know that over the years there has been growing dissatisfaction with unemployment insurance as we have known it. We have had the Gill Report which arose out of the clamor and dissatisfaction on all sides. The Gill Report contains certain suggestions. I am not able to say how much of the Gill Report is contained in the white paper and in this present legislation, except that undoubtedly the philosophy of some of its recommendations has found its way into this legislation. I think it would be a very grave misleading of the public if legislation which is to be placed on the statute books as unemployment insurance should be nothing but a thinly disguised welfare measure.

• (4:50 p.m.)

I will suggest to the minister that the public will determine whether, in practice, it is deemed to be a welfare measure, in other words a national milk cow for those who do not want to work. Let us not be too pretentious or too sanctimonious and say that all Canadians are willing to work. That is a lot of poppycock. It is human nature that the more these benefits become available, the more there will be havens for those people who will not have to work but yet gain some advantage. You will get more and more people who will be moving into those particular areas, and who will ultimately be quite content to give up what could be for them a higher standard of living, but one for which they do not want to make an effort or be subjected to the responsibility of work. The number of those people grows. Although the proportion of the population involved may be relatively small in percentage figures, yet that percentage is the one that is seen.

After all, the population of this country as a whole is no different from an individual. Normally, we are not aware of all the parts of our body so long as they are functioning and in good health. But if one only gets a pimple on a cheek or a bruise on an arm or a leg, it is that ailing part that the individual notices. I suggest to the minister that the public reaction with regard to a measure such as this will be its estimation and its judgment of the ailing parts. It is for that reason we must be very careful that this act be not subjected to abuses and that it not create a haven for those people who are unwilling to make an effort.

I am afraid that with regard to the eight week's qualification period there are in far too many areas of this country people who have the conception that unemployment insurance payments are rocking chair money. They either organize themselves in rotating crews, so that one man can periodically go off, or make work schemes. The minister knows that this practise has existed over the years. If the formulation of this act makes this practise easier through the shorter qualifying periods, there will be more and more people who will avail themselves of unemployment insurance payments.

The Minister of Labour (Mr. Mackasey) knows that one of the essential elements in the productivity of this country is not only the skill of its working force but the discipline of that force. We know that, in many instances, if a man feels it does not matter how he carries on, that he cannot be fired or that if he is fired because he has done his work wrong or is not producing enough, he can fall back on unemployment insurance rather easily, he will have no fear of insecurity and the discipline of the work force goes by the board. This Unemployment Insurance Act was put there for the purpose of protecting the worker against involuntary loss of work. May I suggest that dismissal for improper performance should not be covered by a provision that is there for the involuntary loss of a working opportunity. It all depends on administration of the act whether the appropriate discipline in a working force can be maintained.

I should now like to put to the minister certain questions. I was not able to obtain answers from his colleague, the Minister of Finance (Mr. Benson). This question seemed to take the minister by surprise yesterday in committee. I refer to the provisions under part VI of the act, first, that there shall no longer be an unemployment insurance fund as such but merely an account in the public accounts of Canada known as the unemployment insurance account. All payments will be funnelled into the consolidated revenue account. We want to ask why there has been a change of practice. It has been suggested to me that the unemployment insurance fund as presently constituted had to be invested in Dominion of Canada securities. The securities, of course, carry interest rates. Of course, the unemployment insurance fund benefitted from the interest payments, but it will no longer be necessary for that procedure to be followed under the unemployment insurance account; in other words, the fund need not receive any interest as it did in the past. It is an account receiving the contributions, the penalties, and any interest on penalties as well as any recoveries, but there is no question of any interest on a fund. There is no longer a fund. The money belongs to the government, which it did not before. It was money that had to go to the unemployment insurance fund under the Unemployment Insurance Act and could not be used or transferred to any public account.

However, there is nothing in this bill that would prevent a transfer from one account to another. There is a provision that the Minister of Finance may authorize

in accordance with such terms and conditions but not such rates as he may prescribe the payment of interest on the balance of the unemployment insurance account. That means that if there is a certain tight fiscal year, budgetary stringencies, the minister can quite readily say that he will postpone the payment of any interest, or he can even waive it. I recall certain practices of that type which were attempted in the past with regard to certain accounts, but they were soon smelled out.

• (5:00 p.m.)

Since a change is being made, I insist that the burden of demonstrating the reasons for that change being made lie upon those who are making the change. Nothing was said in the white paper in connection with this nor was anything said in the committee report. Neither was any reason given for it being done. Since I find myself charged, on behalf of my party, with the responsibility of the fiscal policy of this government, I want to know why there is this change from specified funds into the consolidated revenue account? We know that in the past we had problems with regard to the Public Service Superannuation account and the Armed Services Superannuation account. We know there was a problem with the CNR pension fund, and also with the CPR pension fund. Not one of them is funded.

In this connection, the government is actually taking a retrograde step. I would have hoped it would have funded the unemployment insurance account, but the minister shakes his head. That would have given the workers of Canada, those who contribute to the unemployment insurance fund, the advantages of the profits built up as a result of inflation, and what have you.

Mr. Francis: Just like they were about 1962.

Mr. Lambert (Edmonton West): So far as the Public Service Superannuation account is concerned, the same thing should have been done. Why did we have to go through the changes that we did? Why were people denied for so long the additional payments to which they should have been entitled? It was because, under the Public Service Superannuation account, we were told there was actuarily no way that this could be done. The reason was that there was no proper funding.

I am not going to point the finger at any particular administration. I say that this is a fundamental weakness in these matters, and there is no reason why the accumulations in the unemployment insurance account, if properly funded, should not be available for financing economic development of this country, not just to be used as transfer payments which frankly are non-productive.

The hon. member for Ottawa West (Mr. Francis) can shake his head all he wants, but I can use the moneys from a fund for economic development on the basis of loans that are repayable to the fund. In that case the loans are up against the yardstick of having to produce. Transfer payments from one class of taxpayer to another are up against no yardstick except popular demagogic appeal. There is no other measure as to the efficacy of transfer payments. They are merely transfers from those who are producing to those who are going to use them, and there is no yardstick as to their efficacy. After all, these are moneys that are taken from wages, not as taxes. Are we again going to have the government members talking out of both sides of their mouths, as they were yesterday, and as I say the ruling from the Chair was. It was talking out of both sides of its mouth when it was talking about contributions to the Canada Pension Plan being in one case plain tax and in another case merely a contribution. That is talking out of both sides of one's mouth, and cannot be held logically to be correct. But in this particular case, it is not a tax. However, the government is making it the equivalent of a tax since it is going to go into the consolidated revenue account.

The Canada Pension Plan does not go into the consolidated revenue account. There is a fund and the moneys are loaned out. That fund earns money for the benefit of the people who make the contributions. Why not have the same benefits accrue to the unemployment insurance fund? You could have a mix in the investment accounts of government obligations. The government could get access to this fund, and provincial administrations could also have some access to financing—industry—mortgages—the proper mix under the Trustee Act. In that case, then, I would say you could put the unemployment insurance fund to a double purpose. This would also meet the obligations of protecting a real insurance fund, of protecting the workers and at the same time giving them the benefit of their money, not government money. There is not any government money in this at all, not now. There will be if the country has unemployment beyond a certain rate.

If the government had to contribute that would be a super bonus. This might be a social concept that the government, because it may have had to impose certain fiscal measures and certain monetary measures that brought about a rise in unemployment, is under a responsibility to alleviate the results of that action. But surely to goodness, there is a real case to be made that this fund belongs to the people who contributed to it and under the present instance the government is taking it. As a matter of fact, all the moneys that are presently in the unemployment insurance fund are going into that particular account.

Mr. Knowles (Winnipeg North Centre): Would the hon. member permit a question?

Mr. Lambert (Edmonton West): Yes.

Mr. Knowles (Winnipeg North Centre): Isn't it also true, if there is not sufficient money in the account to pay the benefits called for under the act, that the government is obligated to pay those benefits?

Mr. Lambert (Edmonton West): I will grant you that.

Mr. Otto: Then why have a fund?

Mr. Francis: 1962.

Mr. Lambert (Edmonton West): The reason there are insufficient funds is that the government has, likely for fiscal and monetary reasons, as it did this year, created

unemployment whereby there has been an excessive drain. That is the part of the social measure that the government could contribute to this fund, the same as in 1962. If this thing had been properly funded in 1962, that might not have happened. The government used a free flow of funds through the unemployment insurance account as one measure to revitalize an economy that was already sick late in 1956.

Mr. Francis: But—

Mr. Lambert (Edmonton West): The hon. member had his opportunity. I will ask him to please let me continue my case. The unemployment insurance fund, of course, had heavy calls on it, from late 1957, or principally from 1958 through to 1961, and the government used it as one means to stimulate the economy. Loans were made to the fund, not direct drafts, and I would think that an investment fund can have loans made to it. But I am making the case here for a proper funded account, an insurance account, and I want to know from the minister why the change to merely an account?

There are two other little matters I want to refer to, and then I shall sit down. First of all, I think the experience rating concept may have some difficulties in it. I think, essentially, this is right. In other words, where there has been a very high incidence of unemployment, then just like in insurance I think the people involved have to pay a higher premium. However I want to point up one item as a matter of caution, and this is a derogation from my real acceptance of experience rating. It is that in so many of the construction trades the hiring and the firing are not handled by the employer. There are many subtrades and the journeymen working for subcontractors are placed in, on, or off a job by the union hiring hall. If this turnover, which is artificial as far as the employer is concerned, is used as an experience rating in order to penalize the employer then I think that is wrong. I hope that the minister can tell us how he can go against that. If he can, then I say that by and large I am quite happy with the idea of experience rating.

• (5:10 p.m.)

The other thing is that all of us have received representations from teachers, nurses and other groups hitherto exempt and now to be included. I have always felt, personally, that the various exceptions which existed in the past and the confusion of seasonal workers with regular workers, created the greatest difficulties in the application of the Unemployment Insurance Act. I know that a lot of teachers are going to say this is merely a tax but many other people will have to pay, too. An argument I heard this afternoon was to the effect that they were going to be pretty well set. With security of tenure, it was hoped that no one would lose employment and therefore why should they pay? But in those provinces where we have to pay annual premiums for medicare, we hope we are not going to have to avail ourselves of the service. I pay premiums for medicare in the province of Alberta, but I certainly hope that I never have to use it. I will admit that this is going to cause some real problems, and I am not too sure that there was adequate consultation in regard to this. We only know that the body economic and politic of this country is bearing an excessively high load for the cost of education. The minister knows that every penny that is paid either by the teacher or the employer is going to come from the taxpayer because in the next round of negotiations after this act comes into force the unemployment insurance contributions of the teachers will be part of the fringe benefits to be exacted from the employer. Therefore we, the ultimate taxpayers, the consumers of this country, will have to pay the shot. To that extent, we all share this additional burden. I hope the provincial civil servants will come in, as I would not want them to opt out of this scheme.

This afternoon I raised the question about the member of Parliament on salary. Does he qualify? He is not under a contract of employment, so I don't know. There is no formal contract, but I would like him to try to step out of it. He can resign, but until he does somebody is bound to pay him. It seems to me there are counter obligations and, in fact, a contract and therefore he should be entitled to contribute. If you lose an election, you could sit back and draw $100 a week for the next 52 weeks. The only thing is you would be trying to obtain the same kind of employment. I suppose the same type of test will be applied as in the past—the minister shakes his head. There is going to be a change. Perhaps there is that silly limitation that used to apply that unless the job is exactly comparable the claimant could engage in some sort of flim-flam with the commission and would not have to work but could draw benefits.

I could add a lot more, Mr. Speaker, but I have heard that I have overstepped the time allotted to me. I hope to see amendments in the committee. I would like to see the bill go to committee, but I will make up my mind on the bill when it comes back.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I just finished a lengthy discussion with the chairman of the Agricultural Committee regarding that famous marketing bill, so I may apologize to the Minister of Labour (Mr. Mackasey) if I throw a few cattle and hogs into the unemployment insurance bill. This afternoon we find ourselves debating this piece of legislation before it goes to committee. The legislation is the result of a white paper which had some exhaustive study in the labour committee of this House. This was the best they could devise.

I read the minister's speech when he introduced the bill and I note that he said it is for the general benefit of the workers—and I underline that word "workers"—in Canada today. The main purpose is to help people temporarily out of work. That is what he said. The government adopts the idea of universality but the bill does not include the self-employed. That is a queer definition. The principle of universality is accepted but the bill immediately excludes some of the people who are paying into the unemployment insurance plan, as the self-employed

are in many cases. The minister shakes his head in the negative, but he did not let me finish my sentence. One can readily understand that anybody who is self-employed and employing others is paying into the unemployment insurance fund. Now, the minister nods in the affirmative, Mr. Speaker, so we have finally reached an agreement on that particular statement. The self-employed in many, many cases do pay into the unemployment insurance fund.

Now, this fund is basically a product of the depression. It first appeared in legislative form in 1934 or 1935. I see the minister is eager to correct me again, but I am not going to accept it at this time. It was ruled ultra vires by the Supreme Court of Canada and it is interesting to note that other acts can still be ruled ultra vires by the Supreme Court of Canada. I would not like to think that this is one of them, but one could envision other bills of this House that could be so ruled. This unemployment insurance scheme or the application of some form of unemployment insurance was ruled ultra vires in 1937 or 1938. It was brought in again in a more acceptable form to the Supreme Court in 1941 and has been amended from time to time since.

Mr. Barnett: Don't forget the amendments to the B.N.A. Act.

Mr. Horner: I thank the hon. member for the correction. It required constitutional amendment and was brought in again in 1941. Since then, we have had a series of amendments and studies on the unemployment insurance scheme and the practical application of it. The most recent study was carried out in the early 1960's, by the Gill Commission. This was an exhaustive study on how the act should be amended and changed. I notice that in the minister's remarks he attempted to hang some aspect of this bill on the Gill Report. It is hanging very, very shakily and I am sure the coat hanger will soon be pulled from the wall because this bill cannot find any real or permanent basis for its origin in the Gill Report.

• (5:20 p.m.)

This bill does nothing more than impose a tax. It adds an additional tax to our society. Whether it will be of benefit to the general worker is debatable. In his remarks the minister seemed to envision huge amounts of unemployment in the years ahead among people whose occupations we today consider as secure, people such as the civil servants of Canada, firemen, policemen, members of the RCMP, teachers, etc. Of course, considering conditions in the public service at present, there may very well be huge lay-offs in the public service. However, the possibility of disruption in our public service will not continue for very much longer. Nevertheless, this bill will impose an additional tax on us.

Let us look at it that way and analyse one of the basic difficulties of our economy. What will we find? We see that workers go out on strike for higher wages. For the sake of argument, let us say that a union threatens to go on strike unless its members receive a 10 per cent wage increase. Let us say the workers are granted this increase; yet, because of the built-in costs of our society, they will take home only about 4 per cent of that increase. The additional 6 per cent will go towards taxes of one sort or another, income tax, the unemployment insurance fund, a whole host of organizations, and so on.

Mr. Bigg: For a check off.

Mr. Horner: Yes, for a check off, for union dues and so on. Only about half of the increase is taken home by the worker to his family. In other words, we have built up a costly society in which a worker must work. It costs a great deal for a worker to work. The society he works in is affected by the total of the 10 per cent increase the worker has been granted, to cite the example I am using and that 10 per cent increase in his wages is reflected in costs throughout the rest of society. So, because the worker only takes home about 4 per cent or 5 per cent, or about half his increase, after two years or whenever his contract expires he must seek an additional 10 per cent increase. People wonder why there are these continuous rounds of wage negotiations. The Minister of Labour (Mr. Mackasey) has tried to persuade unions to spread out their demands over three years as opposed to the two years for which they sometimes settle. The extended period only postpones the next cyclical increase. We must go to the root of the problem and determine why there are these cyclical increases. We must analyse these cyclical increases. Very simply, we have built into our economic system too much overhead and expense. It costs too much to work. An analysis of this bill reveals that it constitutes an additional tax. By passing this bill we shall contribute to increasing the cost of a person's working.

In his speech, the minister referred to the guaranteed annual income and cited the experiment going on in the United States. He said that it is amazing that some people on a guaranteed annual income still want to work. Well, man is not content to be idle. He wants to do something; I agree with that. But he does not necessarily want to stand on an assembly line tightening bolts or packing and cutting meat. He wants to do something that will occupy his mind and keep his body in good physical tone. We cannot describe work that way. Common sense shows us that work must be described as the doing of something that must be done at a specific time and place. I do not deny what the minister tried to say in his speech, that even though people get a guaranteed annual income they will want to work. Nevertheless, he defined work very loosely.

In this bill we are providing for a tax on people who are now working because our society says we need built-in security. I have come to the chamber after studying exhaustively another piece of legislation that attempts to build in security and my thinking has now evolved to the point at which I think that man's security can perhaps best be placed in the hands of the Lord. Perhaps only there will he find security.

An hon. Member: Who pays the bills?

Mr. Horner: Perhaps that security is cheapest. This bill seeks to create security, yet we are discussing some workers who will never claim benefits.

Mr. Dinsdale: That is eternal security.

Mr. Caccia: Send the bills to the Lord.

Mr. Horner: Perhaps if we had a little more faith in the Lord we would not need the bill.

Mr. Caccia: Send Him the bills.

Mr. Horner: Perhaps if the hon. member had had more faith in the Lord we would not have needed the bill in the first place.

Mr. Caccia: Send Him the bills.

Mr. Dinsdale: This government has taken the place of the Lord.

Mr. Horner: This bill seeks to impose a new tax on some who will never claim benefits. The minister said that people on radio and television have said that a man can work for eight weeks and then collect benefits for 52 weeks. The minister said that was completely wrong. A man must work for eight weeks, and can then collect unemployment insurance for 18 weeks. However, if the national level of unemployment is about 4 per cent, he can collect it for another 12 weeks, thus increasing the period to 30 weeks. The minister also said that if the regional rate of unemployment is above 4 per cent, the man can collect for another period as well. I see the minister nodd ng affirmatively. Clearly, what people on radio and television have said about a man working for eight weeks and then collecting for 52 weeks is perhaps not far from the truth. I see the minister again nodding his head affirmatively, Mr. Speaker. Perhaps that is closer to the truth than one might think.

In essence, this bill ignores the common interpretation of "insurance". In his speech the minister said that, certainly, some fellow would pay a little bit and collect a whole lot, and he drew an analogy between payments and benefits when a fellow's house burns down just after he has paid a premium on his insurance policy. I think the examples the minister used were poor. The premium you pay on an insurance policy is rated according to the risk of your collecting under the policy. Your car insurance premium is related to the possibility of your having an accident and the amount of damage your car can cause in an accident. In this scheme, there is no relationship between the premium a man pays and the risk of his being out of work.

Mr. Perrault: That is not true at all.

• (5:30 p.m.)

Mr. Horner: I hear a comment from the parliamentary secretary. He says that is not true.

Mr. Perrault: Have you read the experience rating section?

Mr. Horner: I did not read the parliamentary secretary's speech and, as a result, I do not know what his intentions or beliefs are. When he makes it, I will.

Mr. Perrault: You should read the white paper before you speak.

Mr. Horner: I read the white paper very carefully. But to get back to the point I had reached when I was interrupted. Many people will not have occasion to collect benefits at all. We are told that some civil servants are to be included but that civil servants employed by the Quebec government will not be included, because they do not wish to be included. Will the same conditions apply to all other governments? I see the minister nodding his head in the affirmative. Is the option being given because these people will likely not have much occasion to collect, or because of the constitutional aspect? Again, I see the minister nodding in the affirmative.

But what about the position of schoolteachers? What about the additional cost to the municipalities which would be imposed by what is, in effect, an additional tax, an extra burden on the educational system? Surely, there is a constitutional question here which is closely parallel to that raised by civil servants working for a provincial government. In essence, the teacher enters into a contract with a municipal government, so there is a close parallel here. Reading the minister's speech, I notice that he held a long consultation with the teachers and that after he had talked to them most of them were in favour of the legislation before us. Well, I can assure you, Mr. Speaker, that the hon. gentleman could not have talked to the teachers in the constituency of Crowfoot because I have certainly not found them to be in favour of this legislation. Indeed, very few of them want any part of it. So here is legislation which will tax people who in all likelihood will never be able to collect.

Then again, consider the amount a person can collect. An insured person is able to draw two-thirds of his income up to a maximum of $100 a week. This is a substantial amount in most regions of Canada. Perhaps it would not keep a person very well in Toronto, but in a lot of the smaller towns $100 would keep a person very well. The minister made no mention in his speech—I admit I did not read all of it—of the number of irregularities which are presently taking place in the use of the present Unemployment Insurance Act. I suspect that the number of irregularities will be tripled, at least, if the bill before us becomes law, and that they will be far more difficult to assess. I say they will be more difficult to assess because of the variations in entitlement to benefit for which provision is made, depending upon the national average of unemployment. This will make the administration extremely difficult.

Another point I should like to deal with before closing is that at the present time one-fifth of the amount contributed to the fund comes from the federal government. The present bill will remove the federal government's responsibility to contribute whenever unemployment falls below 4 per cent. Should the figure exceed 4 per cent, either nationally or in certain regions the federal government would make a contribution. What is the government proposing to do? It is proposing to use this act as a means of directing money to certain regions. The minister nods in the affirmative. The equalization payments

which the have-not provinces presently receive are apparently not large enough; the funds which those provinces receive under the regional economic expansion program are not sufficient, and additional methods are being used. I well remember the speech made by the hon. member for York East (Mr. Otto) in connection with the textile industry. He said the government's proposals in that connection meant nothing more than welfare for textile industry workers in the province of Quebec. Here again, in the bill before us, we find payment being directed toward regions of Canada which experience high unemployment rates.

If we really wish to rid the country of unemployment, and I am thinking now of regions where unemployment is what one might call permanently high, it is time we assessed the position nationally in an effort to determine where the best opportunities of employment are available for people who at the present time are more or less perpetually out of work in regions which have a consistently high rate of unemployment. Perhaps it would be better to induce them to go to other regions or to take up other lines of work which would draw them out across the country where greater opportunities will exist for them to reach fulfilment as individuals. Too much of the legislation which has been placed before this House—and the present bill is like the others in this respect—is of a kind which limits scope for opportunity or the desire for advancement. Before passing any bill, hon. members should ask themselves whether it would widen the opportunities available to the average Canadian, whether it would stimulate the desire to seek opportunity. This bill fails to meet these criteria, particularly on the second count, and I therefore hope that when it is referred to the committee it will be subjected to an exhaustive study, that it will be examined to the fullest extent. I should like to think that major changes could be made to it, changes which would result in a more useful bill for those who will have to resort to it, perhaps through no fault of their own, in the years ahead.

Mr. W. C. Scott (Victoria-Haliburton): At the outset, Mr. Speaker, I should like to say that I do not quarrel with every feature of this bill. But there are a great many features in connection with the Unemployment Insurance Commission with which I should like to quarrel. Let me say, in all fairness to the minister, that in my opinion he is one of the more conscientious ministers in the cabinet. I see his executive assistant has just arrived in the gallery. In face of the massive unemployment we are encountering this winter, the hon. gentleman's executive assistant, on behalf of the minister, has been most co-operative. There are some aspects of this bill which irritate a great many people, not only in my own constituency but elsewhere. I receive a lot of correspondence from people in other constituencies, too.

• (5:40 p.m.)

Getting back to the cost of education, most local school boards will eventually have to raise another 2½ to 3 per cent on top of their present commitments to pay for teachers' contributions to the unemployment insurance fund. Certainly, the minister has picked a very lucrative field in the school teachers. Any insurance company would say he was taking a very good risk because teachers do not expect to be unemployed, especially those in the profession today. Those who are trying to enter the field will probably be unsuccessful so will not be affected by these additional contributions.

In my riding of Victoria-Haliburton, it will cost school boards alone approximately $200,000 or more a year. The teachers do not oppose this legislation because of the extra tax involved, which I grant you is probably benefitting the less fortunate people; they are opposing it because the teachers, as a group, are being singled out to pay this tax. It rubs them the wrong way and I can well understand it. The minister is invading the field of the Minister of National Health and Welfare (Mr. Munro) here.

I have also received letters from municipalities which take objection to this increased cost. All of us know today that the municipalities are limited in the amount of tax dollars they can raise. Now, they are being asked to surrender a percentage of money that they could probably apply to other uses. This money is going to fatten the treasury of the Unemployment Insurance Commission. Not long ago I heard one hon. member say that the government has been talking out of both sides of its mouth, on the one hand talking about subsidizing the municipalities, and on the other hand talking about taking money from the municipalities. The municipalities would like to know where they stand. In fact, this is one of the main objections to taxing the teachers.

So much for the teachers. Let me return to the subject of the Unemployment Insurance Commission. A few years ago, in the name of efficiency unemployment insurance offices were moved out of the smaller centres. The government wanted centralization so these small offices were closed and offices were opened in larger municipalities. Then, it was not long before these were closed and the UIC moved to an even larger area. Then, the UIC got involved in the computer field. We were told we had to have centralization so that we could use the computers. Let me say right now, Mr. Speaker, that as far as these computers are concerned I wish they would use them for ships' anchors or something like that. I know of nothing else that creates more problems for the rank and file Canadian who is applying for unemployment insurance.

What happens when you telephone the local office to try and get help for people who are in need? Many of these people do not have any money in reserve, certainly not the less fortunate of whom I spoke a few moments ago, to tide them over the six or eight weeks or even longer they have to wait for assistance. In the case of one of my constituents, after I had contacted the Unemployment Insurance Commission and tried to straighten out his claim I was able to collect $875 in back money owing to him. How many Canadian on the payroll and receiving a cheque every week put money aside for when they are unemployed? This sort of delay illustrates the inefficiency today of the Unemployment Insurance Commission. Certainly, computers do not provide the answers.

The staff of the UIC feed these computers with cards and have to wait three or four days for results. By the time the postal service has handled these complaints another three or four days are lost. On average, I receive five or six complaints a day about the Unemployment Insurance Commission, late payments and disqualifications. Surely, all these people cannot be wrong. After I delve into their problems I usually manage to achieve something like a 95 per cent success rate. If they were wrong in the first place, how could I win their case for them? I must say that I have received a lot of co-operation from the executive assistant to the minister. I do not want to belittle the staff of the commission either, because they have been most co-operative. But their hands are tied by this massive machine which, in its own time, passes out information that is fed into it from the other end.

This is why I was disappointed to hear the minister say today that he was introducing centralization. Efficiency is not closely related to centralization, especially in this field. When this bill is sent to committee, I hope to be present and to bring up some of these matters for the attention to the minister. After all, the people most affected by its provisions are those who can least afford to be.

Another matter I would draw to the attention of the minister concerns the application forms that have to be filled out by persons who become unemployed. Probably these people are not all blessed with an education, and they cannot understand some of these complicated forms. I am sure the minister will admit that we could devise a form more readily understandable by these people. Not all of them have this difficulty but many do. I often help people who come into my office on Saturday mornings to fill out these forms. They tell me: "I do not understand this letter that I got last week telling me I am disqualified, that I do not have enough stamps, when I have been contributing for 20 years". I can produce letters like this. Again, this letter is probably the work of the computer to a great extent.

These are just a few of the matters I wanted to raise. When this bill goes to the committee, I hope serious study will be given to these problems. If so, I am sure we can produce a bill much more readily acceptable.

The Acting Speaker (Mr. Richard): Order. If the minister speaks now with the consent of the House he will close the debate.

Some hon. Members: Agreed.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I am torn between two responsibilities here. One of them is to get the bill through by six o'clock, realizing that this is Wednesday; the other is answering in the 10 minutes at my disposal the questions that have been raised. Or perhaps these could be left over to the committee stage when I can deal with them in detail. I do not know whether hon. members opposite desire a recorded vote before six o'clock.

However, I should like to answer the question that was raised by the hon. member for Edmonton West (Mr. Lambert), who seemed very anxious to get some information about the amount of money in the present unemployment insurance fund that is going into the Consolidated Revenue Fund at the present time and which draws interest, and will continue to do so. No change has been made in this respect, with the exception that under the new concept there will not be $400 million or $500 million of taxpayers' money always in the fund because the rates will be adjusted annually. The idea is for the whole plan to finance itself as it goes along. Periodically, once a year in November, we will adjust the rates according to the experience of the past year. Once we reach 1975 and the plan has accordingly been adjusted as far as the transitional period for new entrants is concerned, contributions by management and labour will be fairly stable. I have already mentioned on previous occasions that the government will absorb the extraordinary cost features of the plan which come into effect at the 4 per cent level.

There have been a lot of valid arguments made, one of which concerned the administration and service of the UIC. I have already promised, without going into this in detail at this time, that we will be restructuring UIC services when this bill becomes law. This has been a non-partisan debate in every way because everyone who has participated has been interested in this matter. I assure hon. members that the prime responsibility of civil servants and those people who work in the Unemployment Insurance Commission will be to offer a maximum service to claimants and to the employers. That is the way it should be. In order to do this we will have to reorganize personnel within the Unemployment Insurance Commission.

• (5:50 p.m.)

We cannot have things both ways; that is Members of Parliament constantly coming to us and saying do not change the set-up but at the same time wanting to make changes to benefit people.

I used the word "centralize" today, and I think that may have been ambiguous. I was, however, thinking in terms of certain functions that can be centralized. We will, in general, be decentralizing the offices in order to provide more claimant services to the people. In other words, we will be setting up more offices around the country that will specialize in providing information and assistance to claimants. We have already done this in Toronto where we have opened up five new offices. We have used the phrase "satellite offices", which might not have the best connotation, but the primary objective of the offices is to give service to the customer—the claimants.

Hon. Members of Parliament have a legitimate concern about some of the problems that have created these two and three-month waiting periods before an individual can draw unemployment insurance. In many cases there has been a reason for this, and that is the need to help a claimant build up his claim. Perhaps during the last two

years an individual has worked for five different employers and unfortunately has lost his own records. The present regulations require him to keep his records. That individual goes from one job to another. At best when we are faced with this situation we have a 50-50 proposition. Many individuals who have been fully employed for years all too frequently just assume they will never be unemployed and forget about their records. Possibly they do not realize their own obligation. An individual of this type will come into an unemployment insurance office and ask for his benefits for 52 weeks which he feels he should draw because he has been employed for four years, but he has no proof of past employment.

Some members have talked about abuses to the fund. If we are to prevent abuses we must at the same time make sure which people are entitled to benefit. This involves a matter of judgment. I could speak at some length about some of the arguments that have been presented, but I am pleased to note that many of the remarks of a member of one party have nullified the remarks of another member of that same party. Some members in the official opposition talked about universality. I believe the hon. member from Halifax endorsed the introduction of teachers into the plan, while others have been opposed. Perhaps if the time were available I might suggest that they read each other's speeches. The same thing happened in respect of the NDP.

I think we have a moral obligation to fishermen. We have helped them out for 10 or 12 years. We must make sure they remain in the unemployment insurance plan until an equal or better plan is devised. There might be a slight difference of opinion in the NDP, but from the contributions to the debate I would have to say that the official stand of that party is to keep the fishermen in the plan as long as there is no better system.

In so far as maternity benefits are concerned, again I think the general position of speakers for the NDP, with one exception, is that we should pay benefits to those people who are temporarily without work as a result of a pregnancy. I might remind hon. members that our research indicates that over a million women in the work force today are there for no other reason than to add to the family income. This sometimes means the difference between poverty and existence. When such a person becomes pregnant, you can envisage the terrible hardship this can invoke on an individual family. Very often the husband is a semi-invalid. There are many reasons for women working. It is too easy to generalize by saying they are working for pin money, for a second television or automobile.

There are many points I could raise. I do not know what the feeling of hon. members is, whether they want me to go beyond six o'clock or provide answers in committee.

Mr. Alexander: Answer in committee.

Mr. Mackasey: I will try to answer a few more points in the next three or four minutes. I have had no less than 18 meetings with school teachers' groups. I cannot get overly excited about the concern of boards of trustees. If I had the time I would indicate the exact additional burden placed on the school board by employer contributions as compared to the wage demands made by teachers over the next few years. I am hoping concern of the teachers is such that they will show some responsibility the next time they enter collective bargaining for increased wages to which, no doubt, they are entitled. When you look at the fact that across Canada the allocation to school boards in various provinces runs to $2 billion, and that out of that this new burden to the school board will be .38 of 1 per cent, that argument is very ridiculous. It is obvious that it has been introduced by certain school teachers in the hope that their trustees might take up the battle for them.

I think it was the hon. member for Edmonton West (Mr. Lambert) who said quite adequately and eloquently today that all this will fall back on the taxpayer. I admit that. This is the same taxpayer who today finances the Canada Assistance Plan. Under this insurance plan, we will take a burden to the extent of $80 million from the Canada Assistance Plan because the increased benefits will make it possible for people drawing unemployment insurance at lower levels not to have this supplemented by welfare in order to exist. Their unemployment insurance benefits will be high enough to put them past the threshold at which they are eligible for welfare.

I can promise hon. members that they will have an opportunity to participate and be heard in respect of this plan. Our efforts and desires are to help people. We have already arranged to make it possible to overcome some of the limitations of the computer. We will be able to find out within 24 hours why a person's card has been rejected. We are doing this through the use of microfilm and other methods of communication now available.

In so far as making this plan truly universal by covering the self-employed, every country that has an unemployment insurance plan has tried to do this without success. The only place this exists now is in England and it is done there by way of a means test. I do not think we want to introduce that in this country.

We have talked about teachers and professionals. We must remember that many doctors, lawyers, scientists, engineers and many other professionals work in large numbers for an identifiable employer, whether that employer be government, private institutions or a collective professional enterprise, and they will pay unemployment insurance. It will only be the truly one-man operation that will not pay. We will even be able to bring in some of those through regulation if we can find ways and means of identifying them, as we have done with the fishermen who are classed as employees rather than self-employed people.

I do not want to take up any more time and I wish to thank members for their courtesy in letting me get this bill through today. I can understand some members have had to curtail their opportunity to speak. They will be able to take advantage of this opportunity later on. We are meeting tomorrow with the ministers of labour from the provinces on a general basis rather than just in respect of unemployment insurance, so I am pleased to

have been given the opportunity to get this bill through today.

I hope I have not missed any point that is of great concern to an hon. member. The matter of the eight weeks has bothered some members. Others have asked why we should adopt the two-week period instead of a period of 10 weeks, 12 weeks or 14 weeks. I must say that this is a matter of judgment. We have not had a chance to talk about it thoroughly here, but we assume that the eight weeks will indicate some attachment to the work force. Everything will be done through claimant services to get people back to work sooner. We have set up test projects in Hamilton and other cities and find we are getting people back to work a week or ten days earlier than previously.

Having regard to the three-week lump sum, I think upon reflection we will probably divide this into two payments within a period of five weeks. I must remind hon. members, in conclusion that the two-week waiting period is a substantial deterrent against abuse. Two weeks waiting period plus three weeks at $100 would mean that one would draw $300 and today one would wait one week and would draw four weeks benefit, or $200 and some odd.

• (6:00 p.m.)

The second thing is, I must remind members that we have eliminated many of the sources of abuse in respect of seasonal benefits. The fact that we are making the unemployment insurance benefits taxable will certainly be a disincentive to those who have attempted to use the fund by living on unemployment insurance during the winter months when conceivably they could find work.

In respect of merit rating, I can only suggest to members of the House who want a good in depth explanation of merit rating and why I believe it is logical and valid that they might read the speech of the hon. member for Waterloo (Mr. Saltsman), at least that part of the speech where he was honest in his approach and not trying to be politically expedient and all things to all people. At least in respect of merit rating, he expressed his true philosophy as did the hon. member for Edmonton West (Mr. Lambert) today who indicated that merit rating will penalize, if you want to use that word, certain industries which in the past have taken advantage of unemployment insurance to subsidize their work force, keeping it immobile and having it ready, willing and able to work whenever the need is felt.

I am thinking particularly of the construction industry. I have no apologies at all for the construction industry. Upon reflection, it is one which lobbies at every opportunity in this House of Commons against hours, against wages and against various standards. I do my best to accommodate them. I am not unaware of the problems they have and I also am not unaware of the fact that merit rating conceivably could place an added burden on the employers in the construction industry, but since merit rating is not to come in until 1974, 1975 and 1976 there will be ample opportunity in the interval to sit down with recognized employer groups to work out a suitable method of merit rating. We may possibly consider merit rating a construction firm against a construction industry, measuring its performance against the experience of other people in that particular industry rather than industry in depth. Thank you, Mr. Speaker, and I thank the House for its courtesy.

Motion agreed to, bill read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

* * *

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, before you see that the clock is slightly in the vicinity of six o'clock, I wonder if I could ask the Parliamentary Secretary if he would confirm the arrangement I made with the President of the Privy Council (Mr. MacEachen) that tomorrow we will deal with the Yukon Minerals Bill.

Mr. Jerome: That is correct, Mr. Speaker. We propose to call, as the first order of government business tomorrow, the Yukon Minerals Bill and presumably there would be further discussion tomorrow concerning whether we would continue with that item on Friday or go on to the legislation in respect of the Labour Standards Code.

The Acting Speaker (Mr. Richard): It being six o'clock, this House stands adjourned until two o'clock tomorrow. I take this opportunity to wish hon. members a very quiet, enjoyable evening and a good night's sleep. I remind them that such benefits are not guaranteed by any paid insurance scheme.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, April 22, 1971

The House met at 2 p.m.

[*Translation*]

ROUTINE PROCEEDINGS

YOUTH

STATEMENT OF SECRETARY OF STATE ON OPPORTUNITIES FOR YOUTH PROGRAM

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, on March 16, the Prime Minister made the following statement in the House of Commons:

[*English*]

We are saying, in effect, to the youth of Canada that we are impressed by their desire to fight pollution, that we believe they are well motivated in their concern for the disadvantaged; that we have confidence in their value system. We are also saying that we intend to challenge them to see if they have the stamina and the self-discipline to follow through on their criticism and advice.

[*Translation*]

Since the closing date for the submission of proposals under the Opportunities for Youth program, April 15, is now past, I should like to report briefly to the House on student response to the Prime Minister's challenge.

As you are aware, the Opportunities for Youth program for which $14.7 million have been allocated is but one aspect of the over-all 1971 summer employment program. As well, there are the traditional employment programs in the public service, the militia, travel and exchange, hostels and kiosks, language training and athletic scholarships which, in all, account for a total expenditure of $57.8 million. All these programs have been most favourably received and are well in progress.

It can be said without exaggerating that in every part of the country, in large urban centres and rural communities, young people have responded to Opportunities for Youth program with an enthusiasm, generosity and imagination which provide tangible and striking proof of the creative ability of the young generation and its desire to contribute to the economic and social development of our society.

To date, from all parts of Canada, we have received more than 8,600 proposals representing a total value of approximately $150 million. More than 148,000 jobs would be created by these projects if they could all be implemented. The vast majority of jobs, or 50,000, would be created in the province of Quebec through 2,485 schemes involving a cost of $59 million. Ontario follows closely with 2,900 proposals for the creation of 47,900 jobs at a cost of $40.8 million.

• (2:10 p.m.)

[*English*]

From British Columbia, 833 proposals were received for the creation of 14,000 jobs at a cost of $17.1 million. From the Prairies came 1,000 proposals for 14,600 jobs at a cost of $15.6 million, and from the Maritimes, 1,410 projects for 19,800 jobs at a cost of $17.2 million.

What are the students proposing? To offer rehabilitation services for blind children; to assist remote pockets of the population which have little or no access to medical and dental care or to the social services available in major centres; to undertake community development projects which would be unprofitable for the private or public sector; to conduct scientific or sociological research designed to produce immediate benefits to the community; to establish contact with the disadvantaged segments of the population, elderly persons and transient youth to encourage them to take part in examining and solving their own problems.

Several proposals are of a cultural nature. Theatre companies will perform in remote areas. Several young people will organize workshops to enable persons who do not normally have access to the visual arts to become acquainted with this field.

There is something contagious about the idealism of youth. Nevertheless, if public funds are to be used to meet this idealism, a number of government requirements must be satisfied.

As you are aware, by the criteria established for the program, proposals which do not involve sufficient student participation or represent merely a financial extension of provincial or municipal services may not be approved; also excluded are profit-oriented schemes and projects which would benefit only those whom they would employ, etc. Each project is carefully assessed and will be approved only if we are sufficiently assured of its successful implementation.

The Opportunities for Youth Secretariat which is responsible for the study of all project applications presents its recommendations to a committee of senior officials of my department. Before any decision is taken, provincial and municipal governments concerned are consulted as well as other federal departments to establish the validity and viability of projects. Finally, a federal interdepartmental committee oversees the program to ensure that it is carried out in accordance with the criteria established and announced earlier by the government.

Despite the size of the demand and the value of the projects, the government must pick and choose. Beginning next week, authors of the proposals will be

informed of decisions reached, a process which will continue to mid-May so that all projects may be fairly and equally assessed. Some persons have doubted the students ability to respond in time to the Prime Minister's challenge. The number of applications belies that suggestion. I wish to assure all those who have taken up the challenge that the government on its side will respond to their requests in good time.

[*Translation*]

Finally, one thing is certain, Mr. Speaker. Because of the very nature of the program, what government support is enabling young people to accomplish will not reduce the level of employment in other sectors of the labour market.

[*English*]

Mr. David MacDonald (Egmont): Mr. Speaker, the Secretary of State, in concluding his remarks dealing with the Opportunities for Youth program, said that some persons have doubted the students ability to respond. I think he might well have indicated that one of the chief persons who seemed to express doubt, though perhaps in a subtle way, was the Prime Minister himself in the remarks he made on March 16. Perhaps the minister himself has also been surprised by the degree to which young people from all across the country have responded. But I can say for members on this side of the House that we have never doubted the capacity, interest or ability of youth to respond.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): With the kind of response that the Secretary of State has indicated this afternoon, I believe we have been fully justified in that faith. The question that will be asked today and in succeeding days as this program is implemented is whether the faith of the young people in their government will be justified.

I am afraid that in the remarks of the Secretary of State this afternoon little has been said to relieve the growing fears and apprehensions that many, if not most, of the young people who willingly accepted that the government was acting in good faith when this program was announced will soon be receiving their pink, red or green slips in the mail telling them that their projects will not be accepted.

Some hon. Members: Shame!

Mr. MacDonald (Egmont): For days and weeks members on this side of the House have been asking for a clear statement of the criteria and objectives to be used with regard to this program. One would have expected, in fact, that the Secretary of State, who is a reasonable and intelligent individual—

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): —would not risk the public embarrassment that he has obviously brought upon himself this afternoon by making this kind of presentation without in effect saying to the young people of the country: Here is the basis on which we plan to deal with the Opportunities for Youth program. Instead, what has he given us? He has given us three negative criteria. I will not repeat them; they are in the minister's statement. But he said nothing to answer the essential questions related to the growing problem of unemployment and student unemployment across the country, nothing related to the criteria of regional need, nothing related to the problems of the individual financial need of students, nothing related to the whole question of initiative which was referred to earlier by the minister in charge of housing, nothing with regard to the format of organizations that might be submitting projects, and nothing with regard to the size of projects, the amount of money to be expended and the size of salaries. The list goes on and on. In effect the Secretary of State this afternoon has offered no direction and no understanding to the young people of this country. One is led to believe that in the final analysis the decisions that will be made will not be made on the basis of any kind of criteria but will be made mostly on the basis of influence and accident. That is not good enough for this kind of program.

We have heard far too many reports, since a special staff was assigned to look after this program, of pure and simple administrative chaos. Members who have had the opportunity to visit the staff working on this program and who have perhaps been in the unfortunate position of trying to contact them by telephone, which I am told is almost an impossible exercise, know that there is extreme disorder in the administration of this plan which was brought in far too late to be implemented with any kind of effectiveness. In addition, seemingly the government has taken positions that make absolutely no sense in light of the large number of students who desperately need work this summer. The decision that none of the money awarded through this program can in any way be related to gainful employment or to profit seems totally stupid when one realizes that if the $15 million allocated for the Opportunities for Youth program had been used in many instances as seed money, as it could well have been because we have heard of some projects submitted on that basis, it could have a ripple effect that would have provided $50 million or even $70 million worth of employment for students this summer.

• (2:20 p.m.)

The Secretary of State told us that the requests submitted amount to some $150 million in terms of forecast expenditures, but he has not answered the basic question of just how much beyond the original allocated amount of $15 million the government is prepared to go. A few days ago the Prime Minister (Mr. Trudeau) said in the House that there might be some possibility of using money from other programs in the $57 million allocation, but anyone who thinks about that answer must realize we will only know if that money is available at the end of the summer, not now when money must be available if projects are to be implemented.

I believe we are faced with a most serious situation in this country and it will become increasingly serious as we realize how little the government is prepared to

implement the program it announced a little more than a month ago.

The Secretary of State this afternoon quoted the Prime Minister as follows:

> We are also saying that we intend to challenge them—
>
> The young people,
>
> —to see if they have the stamina and the self-discipline to follow through on their criticism and advice.

Mr. Speaker, I think that phrase of the Prime Minister must now be turned toward him. If I may say it directly to him, I would say that the young people are now saying to you, Mr. Prime Minister—

Mr. Speaker: Order, please. I have to tell the hon. member that he cannot say that, and at the same time I must remind him of the terms of Standing Order 15 which allow an hon. member to comment briefly on a ministerial statement. I think the hon. member is exceeding the limitations prescribed by the Standing Order.

Some hon. Members: Hear, hear!

Mr. MacDonald (Egmont): Mr. Speaker, I do not want to trespass on the good nature of the Chair.

Some hon. Members: Oh, oh!

Mr. MacDonald (Egmont): I presume that your interpretation of "brief" and mine may be somewhat different. To conclude, I would simply say that the young people are saying to the Prime Minister, in his own words, that they have the stamina and the self-discipline. They have accepted the challenge in very large measure, and now they want to see if he has the stamina, if he has the intestinal fortitude, to follow through on their suggestions and their advice. If there is not a response adequate to meet the obvious interest and enthusiasm of young people, if indeed the government has added to the cynicism of youth about its governments, then if there is unrest and disillusionment, even violence on the part of young people this summer—

Mr. Speaker: Order.

Some hon. Members: Irresponsible.

Mr. MacDonald (Egmont): —Mr. Speaker, then we will all know—

Mr. Speaker: Order, please.

Mr. MacDonald (Egmont): —who it is—

Some hon. Members: Sit down.

Mr. Speaker: Order, please. I must call on the hon. member to extend a measure of co-operation to the Chair. He knows that according to the Standing Order his comments must be brief. I realize it is difficult to determine what "brief" means, that "brief" is a relative term and that the hon. member's standards may be different from those of the Chair. But I would point out to him that there are other limitations and prescriptions provided in the Standing Order which the hon. member should keep in mind. I hope he will soon allow an opportunity to other hon. members representing other groups in the House to make their comments on the statement made by the minister.

Mr. MacDonald (Egmont): I will simply conclude by saying that if the government is not able to respond in a positive and generous way to this initiative of young people they will know who to blame.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, we are pleased to have the minister's statement because it gives us some indication of the current situation regarding the long-delayed Opportunities for Youth program for student employment this summer. We are extremely pleased at the response of students and young people across Canada to the kind of opportunities and challenges that were placed before them. We agree that they should be congratulated on this score. The young people of Canada have demonstrated once again that they possess initiative and imagination. We do not agree, however, that the government should share in the congratulations. I say this, Mr. Speaker, because if the youth of Canada have made the kind of response that has oversubscribed the budget ten times, then it is incumbent upon the government to respond in turn to the students.

The only reason there has not been an even greater response by youth is the long delay of the government in revealing any kind of program at all. There is nothing in the total program, Mr. Speaker, to have prevented the government announcing it in December. If it had been announced then instead of late in March, giving students and young people less than a month to apply, certainly we could have had orderly and thoughtful discussion and evaluation of particular projects. We would not have encountered the chaotic conditions faced by the Opportunities for Youth office today with a veritable Everest of applications. Obviously the delay on the part of the government and the consequent rush of applications is bound to cause chaotic conditions, is bound to cause wastefulness and is bound to cause some projects requiring a great deal of thought to be applied for without sufficient study of their implications.

While $15 million sounds very generous, we should put this amount in its proper perspective. At the most, $15 million will provide 15,000 students with $1,000 each to go back to university, but we all know that the average cost of attending university is approximately $1,500 a year. We should recognize too, Mr. Speaker, that 990,000 students, nearly a million, will be looking for work as soon as universities and the senior grades of high school finish their terms.

I have been approached to assist on student projects, Mr. Speaker, and I advised the applicants that the forms would be available at Canada Manpower offices. But five days after the announcement by the government no forms were available at Canada Manpower offices on the Pacific coast.

We in the NDP are concerned that some very worthwhile projects have been turned down and we are concerned that there has not been enough time for proper assessment. We would urge the government to make

certain that project announcements are made early in another year. We know that some of the YMCA projects such as Echo 71 have been turned down and this was a vital and well thought-out project.

Mr. Speaker, we also fear, as do the other opposition parties, that perhaps a good deal of the money will go to the wise boys on the inside, those who have the inside track. I do not think, with the kind of procedure we have seen this year and the kind of rush to award hush money for kids, that we can seriously expect anything else.

• (2:30 p.m.)

I conclude by saying that the students have responded magnificently. We knew that they would respond and that they would respond imaginatively and with a great deal of initiative. Will the government please consider responding, in its turn, to the students?

Mr. André Fortin (Lotbinière): Mr. Speaker, the Secretary of State (Mr. Pelletier) is a joker. He mentions certain words which the Prime Minister (Mr. Trudeau) said last March 16, and I quote:

—that we believe that they are well motivated in their concern for the disadvantaged;—

That is true!

—that we have confidence in their system of values.

Mr. Speaker, I need hardly say that these remarks recalled by the hon. Secretary of State are correct. But it is just as true that the system of values of students and young people is not that of the government, and the proof is on page 3 of the press release of the hon. Secretary of State, and I quote:

There is something contagious about the idealism of youth.

How marvelous!

Nevertheless, if public funds are to be used to meet this idealism, a number of government requirements must be satisfied.

Well, what are those government requirements? The Prime Minister has said that young people have an excellent scale of values but the policy of the government consists in asking them to initiate projects, to show enthusiasm and generosity. Besides, that is exactly what they do. The government has been unable to create any jobs since it came to power whereas our young people have found 148,000 within three weeks. That is not where the problem is. It is in the financing.

[*Translation*]

I should not like to take up the House's time unduly, but a remark of paramount importance must be made. The total Opportunities for Youth program budget is $14.7 million, of which $5 million is to be attributed to the province of Quebec. Now, Quebec students have submitted more than 2,485 projects. And how much is available to meet these needs? Five million dollars?

It means that the government, when indulging in propaganda pandering to public opinion was merely performing a farce. It means that the budget established by the government curbs the enthusiasm, the generosity and the initiative of young people who must continue tightening their belts, since it attributes only $2,200 for the implementation of each project in Quebec.

[Mr. Rose.]

The amounts allocated to projects from other provinces are just as ridiculous. This is absolutely unfair. It is a farce that cannot be tolerated.

There is a problem in the field of employment in Canada; young people are quite willing to help build their country, to help fight pollution and to dedicate themselves body and soul to this task. But after two pages of political gags, the government sets a limit, as stated at the top of the third page of the ministers statement. Despite the quality of the projects, the generosity of our young people and the obvious needs, some limit will have to be established because of other government requirements.

In the very first pages of its statement, why has the government sought to amuse the public by pointing out the existence of a so-called jurisdictional conflict between Quebec and Ottawa, if it was not to make them forget the financial limits it was imposing?

In our view, it is dishonest, on the one hand, to create enthusiasm and to appeal to the generosity of our young people, and, on the other hand, to strangle this enthusiasm, to dilute their efforts and to prevent them from making any progress.

That is the same as saying—even if this brings a smile to the faces of some government members—that Canada's number one problem has nothing to do with need, labour, ideas, enthusiasm nor generosity. It cannot be said that young people do not love their country, but they are smothered by the lack of financial means because the government systematically refuses to make them available. The government not only does a disservice to those young people but it deludes them, since it is in the pay of financiers.

This is why I say that this statement is nothing but a clever political scheme and a foul trick, because the minister is a joker.

* * *

[*English*]

HOUSE OF COMMONS

TRIBUTES TO LEADER OF NEW DEMOCRATIC PARTY ON RETIREMENT—SUSPENSION OF EVENING SITTING

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I should like to make a suggestion to the House in connection with the sitting later today. As a prelude to that suggestion I should like to draw to the attention of the House that the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), the Leader of the New Democratic Party, will be honoured tonight in Ottawa by his followers who are meeting in this city to choose a successor to the distinguished gentleman.

While many of us will be absentee well-wishers, it is still worth mentioning that this recognition of the hon. member for Nanaimo-Cowichan-The Islands is well deserved because of his long service to this House, interrupted by very long service as premier of Saskatchewan, and because of the service that he has rendered to the country as a party leader. We want him to know as he is

basking in the glow of congratulatory comments tonight that we also acknowledge the contribution he has made, that we are aware that even though he will not be leader of his party next week he will still continue to be a member of the House, and that we shall look forward to hearing his witty and incisive contributions to the debates of the House. We want to assure him that he has earned that special place in the House of Commons that comes to very few people in the service of the House.

With that introduction I am sure I have convinced the House that it would be appropriate to suspend the sitting of the House tonight so that the members of the New Democratic Party can attend and so that we can privately celebrate this occasion.

Some hon. Members: Hear, hear!

Mr. MacEachen: But since I still wish to gain a little bit of time for government business from this act of generosity, may I suggest that we consider government business from five o'clock to six o'clock and that we suspend the sitting for the rest of the day.

Some hon. Members: Hear, hear!

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, a few moments ago the House leader of my party suggested that since I have known Tommy Douglas for so many years I might say a few words. I join with the government House leader in supporting the tentative motion that he has placed before the House. Seldom have I been able to speak in such unqualified terms in support of his views as I am on this occasion.

• (2:40 p.m.)

The wonderful thing about the House of Commons is that we sit here from day to day and get to know each other. With only 18 feet separating us, we develop that appreciation of the Parliamentary system that on occasions such as this sweeps aside every suggestion of partisanship.

One of the greatest parliamentarians, Sir Winston Churchill, had one political opponent who in debate it was said he feared above all others, Aneuran Bevan, the incomparable, a man with not Scottish but Welsh incisive wit. He passed away rather suddenly. Sir Winston was approached by his chief secretary who proposed that Sir Winston should say what was in his heart of hearts concerning his political adversary. The relationship between Sir Winston and Nye Bevan had never been of the very best. The press wanted to know what Sir Winston really thought of Nye Bevan. When asked, he said "Are you sure he is dead?" In that reply there was no bitterness or invective. There was simply a tremendous tribute.

I have known Tommy Douglas since 1935. I remember him in the House during the dark days of the early 1940's. He was here until he relinquished his position as a member of the House of Commons to become leader of his party in the province of Saskatchewan in 1944. For 17 years he was the premier of that province. He then decided that he should come back to the House of Commons and we have had him here for nine or ten years. His has been a remarkable record.

Mr. Douglas is an outstanding debater, a man with a sense of humour that has always denied vindictiveness, however strongly he has expressed himself, an admirable exponent of that parliamentary system to which you and I, Mr. Speaker, and members in all parts of the House give their allegiance.

He will be 67 years of age later this year. It is a good thing he is not in Newfoundland, in view of the measure introduced in that province yesterday whereby all members of the legislature must be out at age 70. It has not been passed yet, but I have a strong feeling toward that legislation.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The hon. member has been a great crusader. I have often disagreed most strongly with him. I do not share his political philosophy, but this does not deny my uttering these words of appreciation for one who has given such devoted service to my province and this country.

Some hon. Members: Hear, hear!

Mr. Diefenbaker: The Prime Minister (Mr. Trudeau) does not often accept my suggestions, but I have one to offer him now. As a member of the Privy Council of Canada and as one of the three surviving members of the Imperial Privy Council, the other two being the Right Hon. Louis St. Laurent and the Right Hon. L. B. Pearson, I suggest, with that humility that an opposition member must at all times exhibit, that this House express its appreciation by having the NDP leader given the honour of membership in the Privy Council. For 17 years he was the premier of his province. All other premiers in 1967 were made members of Her Majesty's Privy Council. He deserves that recognition.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we join the hon. President of the Privy Council (Mr. MacEachen) and the right hon. member for Prince Albert (Mr. Diefenbaker) who spoke about the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) in laudatory and sincere terms.

Mr. Speaker, more than any other, our party has been able to appreciate the contribution made in the House by the hon. member for Nanaimo-Cowichan-The Islands, the leader of the New Democratic Party, since the members of our party and myself are seated close to him.

Mr. Speaker, I do not have the same knowledge nor as long a political experience as those who spoke before me, and as a member elected in 1968, I should say that I have always been much impressed by the gracious condescension and the constant concern the NDP leader showed towards new members whatever their party regarding their speeches and contribution in the House.

I often noticed that when a young member of any party is rising to take part in a debate in the House, the

hon. member for Nanaimo-Cowichan-The Islands remains in his place and listens to the whole speech. When the young member has concluded his speech, the worthy leader of the NDP, this great figure of Canadian politics will very often go and congratulate or tease him and also encourage him. Very often he will say to him as he said to me: "I do not share your views but if you continue in this course I am not likely to succeed in convincing you but you have many chances that I will not believe you either".

Mr. Speaker, this is a remarkable feature of his character which shows that the hon. member is not here simply to fight, but rather to defend a philosophy. And what gives us a great deal of joy today, it is to learn that even though he leaves the leadership of the New Democratic Party he will still work as a member of this House. And, in this regard, needless to say that we are convinced his participation in the business of the House will be most useful.

Therefore, we want to join our colleagues, both on the government and on the opposition sides, in extending to him our most sincere congratulations on his long and very brilliant career; we hope that all Canadian youths will follow the example which the hon. member for Nanaimo-Cowichan-The Islands set so brilliantly and with so much dignity for them.

[*English*]

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, in view of the warmth of the tributes that have been paid to the leader of the New Democratic Party and in light of the story told by the right hon. member for Prince Albert (Mr. Diefenbaker), I feel I should assure the members of this House, and also the many New Democrats who are within the sound of our voices, that Tommy Douglas is not dead. Indeed, both on his behalf and on behalf of my colleagues I want to say a very warm word of thanks to the President of the Privy Council (Mr. MacEachen), to the right hon. member for Prince Albert (Mr. Diefenbaker) and to the hon. member for Lotbinière (Mr. Fortin) for their very kind words concerning the contribution that the hon. member for Nanaimo-Cowichan-The Islands has made to the deliberations of this House and to the social progress of Canada during the past several decades. We who perhaps know him best—and I happen to have known him personally for 44 years—are very proud of what he has done. We feel that in that far off day when the story of Canada is written his name will be in the history books along with other names of which we are also very proud. I have in mind J. S. Woodsworth and M. J. Coldwell, his predecessors as leaders of this party.

• (2:50 p.m.)

All of this is about a proposal that the House adjourn at six o'clock today so that we can enjoy without inhibition the events of this evening. I hope that some members from other parties will join us because it will be a very enjoyable evening. We agree to adjourning at six o'clock, and I say to the Liberals that when their leader wants to step down we will do the same for them.

Some hon. Members: Hear, hear!

Mr. Speaker: Is it agreed that the House will adjourn at six o'clock and that private members' hour will be dispensed with?

Some hon. Members: Agreed.

Mr. Speaker: It is so ordered.

* * *

EXTERNAL AFFAIRS

TABLING OF TEXT OF POINT ROBERTS REFERENCE TO INTERNATIONAL JOINT COMMISSION

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, on behalf of the Secretary of State for External Affairs I beg leave to table in the two official languages the text of the Point Roberts reference which has been jointly agreed upon by the governments of Canada and the United States and which is being formally communicated by the two governments to the International Joint Commission.

* * *

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Erik Nielsen (Yukon): Mr. Speaker, I rise on a matter requiring the urgent consideration of the House, namely, the failure of the government to construct a policy for presentation at the May 3 meeting with the United States on the TAPS oil tanker route as revealed by the Prime Minister (Mr. Trudeau) in the House yesterday. Therefore I ask the unanimous consent of the House to consider the following motion. I move, seconded by the hon. member for Hillsborough (Mr. Macquarrie):

That this House instruct the government to establish, as formal cabinet-wide policy, that Canada must be a formal party to the decision on the initiation of the TAPS tanker route and that at this time Canada refuses to give its support to the TAPS project because the research and analysis into the pollution risks in both Canada and the United States is both incomplete and unco-ordinated.

Mr. Speaker: The hon. member's motion is made under the terms of Standing Order 43 which requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimity. The motion cannot be put.

[*Translation*]

MISCELLANEOUS PRIVATE BILLS

REFERENCE OF CERTAIN PETITIONS AND REPORTS THEREON TO STANDING COMMITTEE

Mr. Victor Forget (Saint-Michel) moved, seconded by Mr. H.-Pit Lessard (LaSalle):

That the petitions of Central Del Rio Oils Limited and Mic Mac Oils (1963) Ltd., tabled after the period stipulated by Standing Order 90, be referred to the Standing Committee on Miscellaneous Private Bills and Standing Orders, with the third report of the clerk of petitions presented to the House on Friday, April 2, 1971, in order that the committee might be able to make the recommendations it deems advisable.

Mr. Speaker: Is it the please of the House to adopt this motion?

Some hon. Members: Agreed.

Motion agreed to.

[*English*]

ORAL QUESTION PERIOD

HOUSE OF COMMONS

ASSURANCE THAT MEMBERS OF PARLIAMENT NOT KEPT UNDER SURVEILLANCE BY ELECTRONIC DEVICES

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Solicitor General whether he can give a simple guarantee to the House that there is presently no police or other government surveillance by electronic telephone devices or otherwise made or recorded in respect of Members of Parliament with regard to any aspect of the performance of their parliamentary duties?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Certainly not as members of parliament, Mr. Speaker.

[*English*]

Mr. Baldwin: Will the minister make a specific statement at this time that there will be no such surveillance made or carried on hereafter?

[*Translation*]

Mr. Goyer: Mr. Speaker, not in the performance of their duties as members of parliament.

[*English*]

Mr. David MacDonald (Egmont): Mr. Speaker, I have a supplementary question for the minister. In view of his replies earlier this week regarding the actual procedure in use in terms of granting authorization for the gathering of dossiers and the use of wiretapping and other surveillance procedures, would the minister be prepared

to make a statement in order to clear up the considerable fears and uncertainties that have been created during the past few days?

[*Translation*]

Mr. Goyer: Mr. Speaker, it might not be clear in the hon. member's mind, but should he refer to questions and answers I think he will find some logic in what I said.

Mr. Pierre De Bané (Matane): Mr. Speaker, I wish to direct a very precise supplementary to the Solicitor General.

Are hon. members' telephone lines on the Hill watched?

Mr. Goyer: Mr. Speaker, I think one can draw appropriate conclusions from the answers I have already given.

[*English*]

USE OF ELECTRONIC SURVEILLANCE DEVICES BY NATIONAL DEFENCE EMPLOYEES

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a supplementary question which I would direct to the Minister of National Defence. Can the minister say whether in fact employees of his department are involved in any wiretapping that there may be and the use of any electronic devices of this nature? If so, is he involved in any decisions on whether or not wiretapping should take place?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, I can respond quite categorically to the second question by saying that I am not involved. While the Canadian Armed Forces are very versatile, I do not think that the capacity to wiretap is one of the qualities that they have.

Mr. Bell: Will the minister say categorically that no employees of his department are involved in any of this wiretapping?

Mr. Macdonald (Rosedale): Mr. Speaker, again I say quite categorically that I have not been involved in it.

Some hon. Members: Oh, oh!

Mr. Macdonald (Rosedale): If hon. members will please contain themselves, I know of no capacity of this kind, nor in fact whether there has ever been one in the department. However, I shall be glad to inquire.

Mr. Peters: Mr. Speaker, I wish to raise a point of order in regard to the answer given by the Solicitor General to the previous question whether or not telephones on Parliament Hill were or were not tapped. This matter is within your jurisdiction, Mr. Speaker. In my opinion the Solicitor General should not be permitted to say that this is none of our business and that we can check some of his replies. I take no objection to the question about the dossiers. I have had one for 20 years. If the RCMP want to know where I am going, they can phone me up and I will tell them.

My point of order is that the telephones on Parliament Hill fall within your jurisdiction, not within the jurisdiction of the RCMP. To be fair and factual to the House, the Solicitor General must reply in answer to that question that the RCMP have not tapped telephones on Parliament Hill; otherwise he is in contempt of Parliament and of every Member of Parliament.

Some hon. Members: Hear, hear!

Mr. Peters: I do not object to playing around with wiretapping, and the minister can be as flippant as he wishes in this regard, but I think this is a much more serious proposition. If someone should say that the RCMP had members of your staff or some such thing it would not—

Mr. Speaker: Order, please. The hon. member has sought the floor on a point of order. He has made his point of order and certainly it is well taken in that any activity on the Hill is a direct responsibility of hon. members, exercised through the Chair. There is no question whatsoever that if hon. members want to know if there is any such activity being conducted, an inquiry would have to be made, I assume through the Chair, in so far as the House of Commons is concerned. In this respect, I should think an inquiry should be directed in the usual way, according to the prescriptions of the Standing Orders and the practice of the House.

Mr. Nielsen: Mr. Speaker, I should like to speak to the point of order. At the time the Chair was occupied by your predecessor there was one such inquiry made, and during Your Honour's term another such inquiry was made. I am wondering whether I would be in order in asking that the results of both those inquiries be made known to members of the House and, since the matter has been raised again, that Your Honour undertake a further inquiry to ensure that this activity is not being conducted.

Mr. Speaker: The question is an interesting one, although it is not put in the usual way. We could get into rather odd and difficult situations if hon. members during the question period, whether on a point of order or a question of privilege, requested the Chair to undertake investigations. The hon. member is quite right when he says that inquiries were made. He is one of those who, some years ago, requested that such an inquiry be made, and that request was made in the appropriate way. In view of the fact that the matter has been raised by hon. members, and certainly in view of the fact that it is one of interest to hon. members on both sides of the House in all parties, I would certainly consider it my duty to look into the matter in the manner suggested by hon. members.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

ALLEGED BUGGING BY ELECTRONIC DEVICE OF RESIDENCE OF ST. JEAN-BAPTISTE SOCIETY OFFICIAL

Mr. Roch La Salle (Joliette): Mr. Speaker, I wish to ask the Solicitor General—keeping in mind the answer he gave me last Tuesday—if he could state in this chamber that federal police has never bugged Mr. Cossette's residence in Repentigny and, should he answer in the negative, when will the RCMP be allowed to take possession of the device which has been inadvertantly misplaced in Mr. Cossette's home?

Mr. Speaker: It seems the hon. member is substantially reiterating a question which has been put a few days ago and I should point out that I do not remember exactly the answer given by the Minister at the time. If the hon. minister wishes to add something to his answer of last Tuesday, he may have the floor but it seems to me the hon. member is only repeating the question he already asked.

Mr. La Salle: Mr. Speaker—

Mr. Speaker: Is the hon. member seeking the floor on a question of privilege?

Mr. La Salle: I wish to remind the Chair that if I repeated the question it is because I have yet to receive a valid answer; I have been told that if someone happens to lose a pencil it is not the duty of the RCMP to go and pick it up; I wonder if the RCMP would not have lost a bug in Mr. Cossette's residence. If this were the case, I think the hon. minister would be in a position to answer my question.

Mr. Speaker: Order, please. The hon. member suggests he is not satisfied with the answer he received but I do not think he is entitled to ask the question anew.

The hon. member may rephrase his question at some other time if he seeks additional information. Even if the question has been put to the minister yesterday, I do not see why the hon. member should keep asking the same question as long as he does not get a satisfactory answer.

* * *

[*English*]

HOUSE OF COMMONS

KEEPING OF DOSSIERS ON MEMBERS OF PARLIAMENT BY ROYAL CANADIAN MOUNTED POLICE—ACCURACY OF INFORMATION

Mr. David MacDonald (Egmont): I have a supplementary question to the Solicitor General. In view of the increasing accumulation of these files and dossiers, I wonder whether he could indicate to the House what steps are taken to verify the accuracy of the information and to protect the rights of the individual who may not be aware that information is being accumulated about him which may not be entirely accurate?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, it seems that pretending there is a dossier or that electronic devices are being used in an office or an apartment becomes a question of social status. I reply to the hon. member that he must first tell me he is sure of having a dossier before being able to have a look at it.

[*English*]

Mr. Speaker: The Chair will allow the hon. member the opportunity to ask a supplementary, but after that perhaps we might move on to the hon. member for Moose Jaw who has been patiently awaiting an opportunity to ask his question.

Mr. MacDonald (Egmont): I am sorry the Solicitor General misunderstood the import of my question. It is a well known fact that one branch of the RCMP has the special function of making and keeping these files. I am merely asking about the policy of his department. What assurance is there against a build-up of inaccurate information which could greatly prejudice the position of the individual involved?

[*Translation*]

Mr. Goyer: Mr. Speaker, I already said that there is no systematic policy to the effect that every member would have a dossier. There is none either to the effect that every union leader in Canada would have one.

* * *

[*English*]

YOUTH

SUMMER LANGUAGE PROGRAM—DECISION AS TO ADMINISTRATION

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, my question is directed to the Secretary of State. In view of the minister's statement today concerning the Opportunities for Youth program, or the results of that program, and in light of the fact that universities have closed or will be closing at the end of this month, can the minister say whether there has been a final decision as to who will administer the second language exchange program involving 2,500 students?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am not sure I know what the language exchange program is. I know of no program by that particular name. It might be bursaries for the study of a second language or the member might be referring to the travel and exchange program. There exists no such thing as a language exchange program. Therefore I do not know exactly what the hon. member is talking about.

Mr. Skoberg: Mr. Speaker, the phrase I used was "the second language exchange program" as referred to by the minister in Winnipeg when he announced the Opportunities for Youth program. If he is not aware of what I am referring to, perhaps he could indicate whether there has been any determination as to who will administer the program involving 2,500 students inasmuch as there has been no decision up to this time regarding how they should apply or who will accept applications.

[*Translation*]

Mr. Pelletier: Once again, Mr. Speaker, I do not know what the hon. member means by a "language exchange program" which would involve 2,500 students. In fact, there are exchange travels through Canada which involve about this number of people and there are language courses which concern only 1,500 people.

The announcement I made dealt with one or the other of these programs. If, then, these are language courses, they are administered in co-operation with the Canadian council of education ministers; the travel exchanges are directly administered by the Secretary of State.

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AGRICULTURE

EFFECTS OF ALLEGED MILK SHORTAGE ON EXPORT OF CHEESE

Mr. Roland Godin (Portneuf): Mr. Speaker, my question is directed to the hon. Minister of Agriculture.

I wonder whether he could tell us what steps the government intends to take to fight the current milk shortage which is jeopardizing our cheese exports to Great Britain?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, there is not an over-all shortage of milk, although there may be some temporary or local shortages. I can advise the hon. member that we have been producing sufficient cheese to meet all of the markets with the exception of those we have had to subsidize very heavily.

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NATIONAL REVENUE

ALLEGED DUMPING ON CANADIAN MARKETS OF RECREATIONAL VEHICLES MANUFACTURED IN UNITED STATES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of National Revenue. Will he look into reports alleging dumping on Canadian markets of certain recreational vehicles, such as trailers, campers and so on, by United States manufacturers to the detriment of Canadian manufacturers, particularly on the west coast?

Hon. Herb Gray (Minister of National Revenue): Yes, Mr. Speaker, I shall be happy to look into the matter.

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GRAIN

WHEAT—CLOSING OF 1969-70 POOL ACCOUNT—FINAL PAYMENT—INTERIM BARLEY PAYMENT

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct my question to the minister in charge of the Canadian Wheat Board. Can the minister indicate whether the pool account for wheat for the 1969-70 crop year has been closed out yet by the Canadian Wheat Board? Can he indicate also whether there will be a final payment on wheat for 1969-70 and when it will be in the hands of the farmers?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the pool account referred to by the

hon. member has not yet been closed, but the closing is fairly imminent. Of course, the exact financial state of the account will be reported to the House in due course after the closing.

Mr. Burton: Mr. Speaker, I have a supplementary in respect of the operations of the Canadian Wheat Board. In view of the fact that it is almost two months since the announcement of the interim barley payment, can the minister also indicate if all payments are now in the hands of farmers? I ask this question because I understand some payments have just gone out within the past few days.

Mr. Lang: I shall be glad to ascertain for the hon. member whether, in fact, all payments have now gone out.

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AGRICULTURE

APPLES AND BEEF—RESTRICTION OF IMPORTS

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a question for the Minister of Agriculture which I ask on behalf of the apple and beef producers of Canada. Because of the severe hardship being caused by the importation of cheap beef from Australia and New Zealand, and also apples, would the government take action immediately to place restrictions on these unwarranted imports?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speakin so far as apples are concerned, there have been a number of interdepartmental committee meetings with representatives of the Department of Agriculture, the Department of Finance, the Department of National Revenue, the Department of Trade and Commerce and so on. I am sure the hon. member is aware of an offer we have made to deal with part of this problem through the Agricultural Stabilization Board. So far as beef is concerned, I cannot agree that the imports of beef have had a detrimental effect on the market within Canada, because what is coming in is of a kind and quality in respect of which there is insufficient production in Canada to meet the demand.

* * *

[*Translation*]

FLOODS

QUEBEC—REQUEST FOR AID BY CANADIAN ARMED FORCES

Mr. Marcel Roy (Laval): Mr. Speaker, I should like to put a question to the Minister of National Defence.

Since the flow of water in the Ottawa river and Deux-Montagnes lake as well as ice jams in des Prairies and Mille-Îles rivers have placed the residents of Laval-Ouest, Sainte-Dorothée, Sainte-Rose and Fabreville in a state of emergency and forced them to vacate their dwellings, would the Minister of National Defence tell the House whether he has received a request from the Quebec authorities for assistance from the Canadian Armed Forces?

[*English*]

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, representatives of the Emergency Measures Organization and of the Canadian forces have been in consultation with the Quebec authorities concerning flood assistance in the regions mentioned by the hon. gentleman. I can indicate that a number of members of the Canadian forces, engineering experts, and so on, have been participating in this operation and there is at the moment a Canadian forces helicopter standing by at St. Hubert. All necessary forces will be made available on request by the civil authorities of the province.

* * *

NATIONAL MUSEUMS

INQUIRY AS TO REPORT ON INVESTIGATION

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, I have a question for the Secretary of State as minister responsible to the House for the national museums. It has to do with an inquiry the minister said he ordered into the administration of the museums branch on December 7, 1970. Would the minister tell the House whether or not that inquiry has been completed?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker, and I was awaiting the question to again give the reply. The inquiry has been completed. I have received a verbal report. Nothing abnormal has been found, despite the allegations that were published by some newspapers and the absence of any anomaly is confirmed by the fact that the Auditor General of Canada has since examined that administration and found nothing abnormal.

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[*English*]

INQUIRY OF THE MINISTRY

Mr. A. D. Alkenbrack (Frontenac-Lennox and Addington): Mr. Speaker, my question is for the Parliamentary Secretary to the Minister of Public Works. I should like to ask him whether the supporters of the New Democratic Party who picketed and demonstrated in front of this building today obtained a permit from his department to do so, for the obvious reason that they are not receiving adequate representation here from their elected members and therefore have no confidence in them?

Some hon. Members: Hear, hear!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please.

UNEMPLOYMENT INSURANCE

REQUEST FOR ANNOUNCEMENT OF ALTERNATIVE PROPOSAL FOR FISHERMEN PRIOR TO CONSIDERATION OF BILL

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to address a question to the Minister of Fisheries and Forestry arising from the fact that after second reading yesterday the House referred to the Standing Committee on Labour, Manpower and Immigration the unemployment insurance bill. Will the minister place before the House what we have been advised is an alternative proposal to unemployment insurance for fishermen so that the committee, prior to its consideration of the terms of the unemployment insurance bill, can have knowledge of what the minister and the government have in mind in this regard?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I shall be glad to do so as soon as it has received full consideration by the government.

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AGRICULTURE

POTATOES—REQUEST BY PRINCE EDWARD ISLAND AND NEW BRUNSWICK FOR ASSISTANCE

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to address a question to the Minister of Agriculture. Has any decision been arrived at as a result of talks between his department and the government of Prince Edward Island with regard to rendering some assistance to the potato growers of the Maritimes who have been selling their product below the cost of production for some time?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the precise answer is no, but I should advise the hon. member there will be a meeting, which I am sure is scheduled for next Monday afternoon, between the Ministers of Agriculture for Prince Edward Island and New Brunswick and my officials and I.

HOGS—FINANCIAL ASSISTANCE BECAUSE OF DEPRESSED PRICES

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, in view of the continuing decline in the market price of hogs and the hardship this is causing hog producers, may I ask the Minister of Agriculture whether he has given serious consideration to taking such action as is necessary to ensure that moneys will be paid out of the agricultural prices support fund to give assistance to these farmers during this crisis period?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, as I have replied to the hon. member a number of times, we are required under the Agricultural Stabilization Act to support the price of hogs at 80 per cent of the ten-year moving average. When we did the calculations for 1970 the amount for that year was substantially higher than 80 per cent of the ten-year moving average. I

am sure that when we get to 1971 the calculations will be somewhat different because in the early part of 1970 hog prices were still relatively high. But when we reach the stage at which we do these calculations we have an obligation under the act.

Mr. Gleave: Mr. Speaker, I have a supplementary question on behalf of those hog producers who may not survive until 1971. Would the minister consider calling together the advisory committee of the Agricultural Prices Support Board to see if it can give him some advice which would enable him to take some action?

Mr. Olson: There was a meeting of that advisory board within the last three weeks, I believe.

Mr. R. E. McKinley (Huron): Mr. Speaker, I have a supplementary. Will no further calculations be made in respect of the price received for hogs across Canada with regard to the subsidy payment until after the year 1971 is complete?

Mr. Olson: No, Mr. Speaker. I did not say at the end of the calendar year. I said at the end of the year when we normally make these calculations. I should like to have an opportunity to correct this after checking with my officials, but I believe that in the calculating of hog prices we do this from September to the next September.

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GRAIN

RAPESEED AND FLAXSEED—OPENING OF VANCOUVER FUTURES MARKET—PROTESTS AGAINST INCLUSION UNDER WHEAT BOARD

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, I have a question for the minister responsible for the Wheat Board. It has to do with the inclusion of rapeseed in the bill which has received first reading and is now before the House. Will the minister advise the House whether or not the futures market in Vancouver in connection with flaxseed, rapeseed and the like has now been opened? Will he also say whether in the last 24 hours messages have been received by the government and/or the Wheat Board from major importers in Japan taking strong objection to the inclusion of rapeseed under the Wheat Board and preferring the futures system in order to permit them to fix their requirements and, in particular, to meet the competition of soya beans and the like?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I know of no messages from our buyers in connection with the Canadian Wheat Board Act, although any messages may simply have not come to my attention yet. As indicated yesterday, there is certainly no intention to make such a decision to change the marketing without full consultation.

On the question of the futures market, I have been informed that the Winnipeg Grain Exchange is now satisfied with the arrangements which have been made or are being proposed to be made in Vancouver to allow for the

exchange of paper in connection with rapeseed, and accordingly they have decided not to discontinue the Vancouver futures. There were certainly representations from our buyers abroad in connection with this futures market, but they will of course be extremely pleased that the net result of the action which has been taken will be to improve the futures market operation in regard to Vancouver futures.

Mr. Diefenbaker: I ask the minister—I do not often ask a question unless I know the answer but on this occasion I do not know the answer—whether the rapeseed marketing committee has reported?

Mr. Lang: The oilseeds marketing committee filed a report with the government some time ago, but it led to the opening of some additional questions in connection with the marketing of oilseeds and further work was invited in connection with those questions. I have not yet received the final report in regard to that further work.

Mr. Diefenbaker: In so far as the interim, not the final, report is concerned, did that report recommend that flaxseed, rapeseed and the like should come within the jurisdiction of the Wheat Board? If not, why has the government suddenly decided to ask for this legislation?

Mr. Lang: The first report from the committee, which was in the nature of a final report but upon which they were asked to do further work, recommended that appropriate information about the advantages of the different systems of marketing rapeseed be obtained and be presented in full to producers and that a plebiscite be held among producers to determine their choice of the form of marketing. The further work being done is, in fact, in connection with the information required.

Mr. Diefenbaker: Will there be a plebiscite?

RAPESEED—REQUEST FOR STATEMENT ON PRICING AND MARKETING

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I have repeatedly asked the minister in charge of the Wheat Board for information in connection with the operation of the futures market for rapeseed at Vancouver. May I now ask the minister whether he will soon make a statement on motions informing the House as to what is actually taking place in the pricing and marketing of rapeseed through the futures market at Vancouver?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I will give consideration to doing that, although I think the basic information is available on request from the Grain Exchange itself. I must say I have been working very closely with the Grain Exchange. I appreciate very much their co-operation and interest in trying to improve the futures market and the results for the farmers and producers of rapeseed.

Mr. Speaker: Order, please. The Chair feels that perhaps we should go on to another subject, but since the hon. member for Lisgar has been waiting for an opportunity to ask a supplementary question, perhaps he might be recognized for that purpose.

REQUEST FOR TABLING OF CORRESPONDENCE ON MARKETING OF RAPESEED FROM PRODUCERS AND OTHERS

Mr. Jack Murta (Lisgar): I should like to direct this question also to the minister responsible for the Wheat Board. Would he be prepared to table in the House the contents of the many telegrams and telexes he will be receiving from the producers, exporting agencies and countries in Asia because of the dramatic effect that the government's actions have had on the rapeseed industry in Canada?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I do not know that I can table the correspondence that relates to the item referred to by the hon. member, since I think most of the correspondence received to date has related to actions taken by the grain exchanges rather than by the government. But I see no particular objection to tabling a good deal of this correspondence.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—INCREASE IN AMOUNT OF MONEY ALLOCATED

Mr. Paul St. Pierre (Coast Chilcotin): I have a question for the Secretary of State arising out of his statement earlier today that applications for the $15 million Opportunities for Youth program now total $150 million. Is consideration being given to increasing the $15 million available?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker, I seriously intend to submit such a proposal to my cabinet colleagues.

* * *

[*English*]

COMMUNICATIONS

BUILDING OF SECOND GENERATION DOMESTIC SATELLITES BY CANADIAN INDUSTRY

Hon. W. G. Dinsdale (Brandon-Souris): My question is for the Minister of Communications. Has the Department of Communications come to the conclusion that Canadian industry will not be able to build the second generation of domestic communication satellites but instead will limit itself to supplying parts for these satellites as in the case of the building of the Anik satellite?

Hon. Eric W. Kierans (Minister of Communications): No, Mr. Speaker. Such decisions are seven or eight years away.

Mr. Dinsdale: In view of the brilliant achievement of the Canadian industry in building the Alouette series of four satellites, a program that was commenced in 1958

and completed just three weeks ago at Vandenberg satellite launching base under the title of Isis II, at which both the minister and I were present, will he now give the assurance to the Canadian industry that it will be given the opportunity to continue its achievements in building the communications technology satellite?

Mr. Kierans: No one in Canada has any doubt at all about the technological capacity of the Canadian industry, especially in the field of satellites. The problem would then become one of the economic and marketing risks of constructing whole satellite systems, and those are economic decisions that can only be taken at the particular time and in the particular circumstances.

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FISHERIES

SWORDFISH—ASSISTANCE TO FISHERMEN BECAUSE OF POLLUTION

Mr. Lloyd R. Crouse (South Shore): I had a question for the Minister of Fisheries and Forestry, who was in the House but who has now left the chamber. In his absence, I will direct my question to the right hon. Prime Minister. In view of the serious economic problems that are faced by swordfishermen in Atlantic Canada as a result of the arbitrary regulation concerning the mercury content in swordfish, has the government developed a program to date which will be helpful to the fishermen formerly involved in this industry?

Right Hon. P. E. Trudeau (Prime Minister): I will take notice of the question, Mr. Speaker.

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HOUSING

TORONTO—FEDERAL PARTICIPATION IN METRO CENTRE COMPLEX

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the Minister without Portfolio responsible for housing and urban affairs. Is the government participating in the planning, financing or intended occupation of the CNR-CPR complex known as Metro Centre in Toronto at the present time?

Hon. Robert K. Andras (Minister without Portfolio): We have had no formal discussions with or approaches by the people more directly involved in that project and consequently there is no direct financial involvement through that medium at this time.

Mr. Ryan: Is future participation expected?

Mr. Andras: We have had no proposals, so I would have difficulty in responding to that either positively or negatively. We will listen to any proposals they make within the areas where we have authority.

Inquiries of the Ministry

THE PRIME MINISTER

SUGGESTED VISIT TO PEOPLE'S REPUBLIC OF CHINA

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question for the right hon. Prime Minister. Having in mind his scheduled trip to the Soviet Union and also Canada's improving trade and other relations with the People's Republic of China, would he give consideration to visiting the latter country as well as the former?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I apologize for missing the first part of the question but, so far as I understood it, I wish to say I am not giving consideration at the present time to travelling to any countries in an official way beyond next month's planned trip to the Soviet Union.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—REDUCTION OF ALLOCATIONS TO INDIVIDUAL PROJECTS TO COVER MORE PROGRAMS

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I have a question for the Secretary of state. Since it appears likely that many of the excellent and worth-while applications for grants under the Opportunities for Youth program may be approved in principle but ultimately rejected for lack of funds, will his department given consideration to trimming the financial allocation to individual projects so that the $15 million can be spread out to cover a larger number of student programs?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am not only prepared to consider such a proposal, but that is the spirit in which we are working and in which we select projects, except for some whose scope and very nature demand a given dimension and which cannot readily be subdivided. Clearly, we want to give the greatest possible number of groups the opportunity of undertaking projects.

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[*English*]

THE CANADIAN ECONOMY

FOREIGN OWNERSHIP—INQUIRY AS TO STATEMENT ON GOVERNMENT POLICY

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I would like to ask the Minister of National Revenue when we can expect a definitive statement on the government's foreign ownership policy. Also, in the course of his review has he investigated the operations of international unions within Canada, and particularly the allegation that the labour movement in the United States has milked Canadian workers of $80 million during the last seven years?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, with regard to the first part of the hon. mem-

ber's question, I am not in a position to give a date as yet. With regard to the second part, I can say that the work I have been supervising has been directed primarily to the matter of investment.

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[*Translation*]

TELECOMMUNICATIONS

QUEBEC—PRESENCE OF OBSERVER AT INTELSAT CONFERENCE

Mr. Roch La Salle (Joliette): Mr. Speaker, I would first of all like to say that I hope the hon. Solicitor General will answer my question before the question period is over.

I wish to ask the right hon. Prime Minister a question.

As the Canadian government has refused to let Quebec participate in the Intelsat conference and the province has decided to send in an observer, I would like to ask the Prime Minister if the federal government will consent to let at least one observer from Quebec attend this conference?

Right Hon. P. E. Trudeau (Prime Minister): I am not aware of the situation, Mr. Speaker.

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[*English*]

HOUSING

NEWFOUNDLAND—USE OF INNOVATIVE METHODS TO OVERCOME SHORTAGE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is directed to the minister responsible for housing. In view of the fact that housing starts in the province of Newfoundland are down critically and that there is a great need for subsidized rental housing, are any arrangements being proposed by the province under the innovative methods program to overcome this critical shortage which is causing great hardship?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, there are ongoing meetings between CMHC and the Newfoundland housing authority, which is the provincial government, with regard to escalating the quantity of shell housing, and many other innovative approaches. I will certainly look into the specific information the hon. member has given me, or reminded me of, and see if there is any short-term action we can take in this regard.

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PUBLIC WORKS

MEETING OF SENIOR OFFICIALS AT SEIGNORY CLUB

Mr. Stan Schumacher (Palliser): Mr. Speaker, I have a question for the Minister of Public Works but in his absence will direct it to his parliamentary secretary, or perhaps to somebody else who will answer on the minister's behalf. Is it true that senior officials of his department are presently holding a meeting at the Seignory Club in Montebello, Quebec, to discuss reorganization of the department and, if so, what is the necessity for holding the meeting away from Ottawa?

Mr. Speaker: Order. I have some doubt whether the question as asked is in order, but if there is urgency the hon. member could give notice of his intention to raise it at the time of adjournment.

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POLLUTION

LOWER FRASER RIVER—ESTABLISHMENT OF WATER QUALITY MANAGEMENT BOARD

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I wish to direct a question to the Minister of Fisheries and Forestry, but in his absence I shall direct it to his parliamentary assistant. In view of the serious pollution problem on the Fraser River, and the minister's recent statement that this area should "go to secondary treatment at Annacis Island at once," I would ask the minister when a water quality management board, as provided for in the new Canada Water Act, will be set up on the lower Fraser River so that these problems can be dealt with without further delay?

Mr. Speaker: Apparently the hon. member can assume that the matter is being considered. For the moment, the Chair will recognize the hon. member for Halifax-East Hants.

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ROYAL CANADIAN MOUNTED POLICE

PROVISION OF OVERTIME PAY

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, my question is a hardy perennial to the Solicitor General. When may we expect a decision regarding overtime pay for members of the Royal Canadian Mounted Police?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, that is being discussed in committee with the hon. member. I am taking note of the suggestion. We are now giving it serious consideration.

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[*English*]

NATIONAL DEFENCE

PRESENT AND LONG-TERM FUNCTIONS OF CF-5 PLANES

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I would like to direct a question to the Minister of National Defence. On the assumption that there are now about 115 CF-5 jets in the department's inventory, can the minister say if a decision has yet been reached on what use these aircraft will be put to on a long-term basis, and also what function is being performed by the ones that are now in use attached to flying units?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, the whole decision with regard to the full complement of CF-5's will be made known when the white paper is tabled in the House. At the present time two squadrons of CF-5's, one at Bagotville and the other at Cold Lake, are operating in a close ground support role. They are now fully operational and during the current year will be involved in close support operations with units of mobile command.

Mr. Speaker: Order. The question period has expired but we might allow time for one quick, succinct question from the hon. member for Egmont and from the hon. member for Matane. The hon. member for Matane.

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[*Translation*]

HOUSE OF COMMONS

HIRING OF COMMITTEE CLERKS

Mr. Pierre De Bané (Matane): Mr. Speaker, I would like to draw Your Honour's attention to some information I have recently received to the effect that the House of Commons is going to appoint six additional committee clerks—

Mr. Speaker: Order. Would the hon. member kindly resume his seat.

The hon. member cannot draw to the attention of the Chair circumstances such as those he has just mentioned in any way he wishes. The rules indicate in what way such information should be brought to the attention of the Chair and I suggest to the hon. member that he proceed according to the rules.

* * *

[*English*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—EFFICIENT DEALING WITH PROJECTS SUBMITTED

Mr. David MacDonald (Egmont): Mr. Speaker, I wish to direct a question to the Secretary of State. In view of his statement this afternoon in which he indicated that approval of projects under the Opportunities for Youth program will go through four different bodies, the lack of positive criteria and the number of projects to be examined, what steps is the minister taking to alleviate the fears of young people about the effective disposition of the projects that have been submitted?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am always surprised when the hon. member for Egmont raises this question. I have before me the detailed criteria which have been published and sent to all youth organizations and all associations likely to be interested and that have requested them. These criteria are very clear; I can send a copy to the hon. member if he is not aware of them but he is certainly one of the very last individuals in Canada who has not yet read them.

[*English*]

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Baldwin: Mr. Speaker, may I ask the government house leader as to the business of the House for tomorrow and for all of next week? In his answer would he say if he has yet secured authorization from his colleagues as to when he may place on the order paper notice affecting the future of the Public Order (Temporary Measures) Act?

Mr. MacEachen: The next item of government business is the Yukon minerals legislation, followed by the Canada Labour (Standards) Code, the Farm Products Marketing Act, Bill C-176, and the Canada Wheat Board Act. In reply to the final question, I would like to advise the hon. member that when I do seek authority I am sure I will get it, but I have not sought that authority yet.

Mr. Speaker: Orders of the day.

• (3:40 p.m.)

GOVERNMENT ORDERS

YUKON MINERALS ACT

ADMINISTRATION, ACQUISITION AND RECORDING OF CLAIMS, ETC.

The House resumed, from Friday, March 5, consideration of the motion of Mr. Chrétien that Bill C-187, respecting minerals in the Yukon Territory, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development, and the amendment thereto of Mr. Nielsen (p. 4009).

Mr. Randolph Harding (Kootenay West): Mr. Speaker, it is exactly 48 days since the Yukon Mining Act was before the House and, on that occasion, I had gone about two thirds of the way through my speech so I welcome this opportunity to complete the remarks I was making at that time. It is rather difficult to join up the two sections of a speech after an interval of almost seven weeks, but the point I was making in the first part of my talk was that there is a desperate need for us to process more of our raw materials in our own country. While I do not have time to go over all the points I made about seven weeks ago, I intend to express my thoughts on what I feel we should be doing with the mineral resources so abundant in the more northern parts of Canada.

The philosophy of this government, it seems to me, is to make this nation of ours a supplier of raw materials for the markets of the world. It is true that some raw materials must always be sold, but we say it is time to slow down this type of economic development, which in the long run will do immense harm to various sections of Canada, and lay out long range plans for the establishment of industry in our country based on our abundant supplies of various raw materials.

I feel there is an obvious need to establish policies, legislation and administrative capability which will ensure that northern environments will be protected while they undergo mineral exploration and possible development. We must make certain that traditional renewable resources, such as the Arctic ecology, the wild life, and so on; are not wasted or desecrated in a search for wealth that may, in many areas, turn out to be futile. It is for this reason, especially in the north, that we must be extremely careful to preserve for future use the land and its ecology upon which the native people and the residents of the area may eventually be forced to depend for their livelihood. This is the reason we must know what is in the land use regulations and how they will ensure this protection. This is why members of our party and other groups have been urging the Minister of Indian Affairs and Northern Development (Mr. Chrétien) to introduce the land use regulations without delay. We must have them if we are to have a logical and sensible development of oil and mineral resources in the north without immense damage being done to the ecology there.

The record of the federal government in effectively promoting the integration of the native people in our north country into the expanding economic activity which is going on there is both tragic and disgraceful. Adequate plans have not been made to either protect the environment and the wildlife upon which many natives depend or to establish a basic economy which could offer them alternate employment.

Let us look at some facts in relation to the native or indigenous population in our Canadian north. This indigenous group includes the Indian, the Eskimo and the Métis groups. The total population of the north was about 43,000 in 1966; this includes both the Yukon Territory and the Northwest Territories. Of this total about 17 per cent of the total population in the Yukon and about 63 per cent of the total population in the Northwest Territories was in this indigenous group. The average for the combined territories was about 43 per cent. This means that of all the population in the north, 43 per cent belonged to the Indian, Eskimo or Métis groups.

In the mining industry, however, we find about 4½ per cent of the work force coming from the native inhabitants. This figure has absolutely no relationship to the percentage of the total population which natives form. In 1968, there were 11 operating mines in the Yukon and the Northwest Territories, employing a total of 2,002 people. The total indigenous employment on these projects was 91 men, or 4½ per cent of the total. In the Yukon there were 28 out of a total of 820 and in the Northwest Territories 63 out of 1,182 men who were engaged in the mining industry.

There are reasons for this low employment rate, such as the lack of skills, and there is no doubt about that. Then, there is the fact that the employment agencies are centred in Vancouver and Edmonton. But these figures, however, show the dismal failure of federal policies as they relate to the native population and the percentage of employment we should expect them to get from the development of the resources in the land where they have lived for generations.

The Yukon area has always been noted for its mineral wealth and the exciting period of the gold rush in 1898 is well known to most Canadians. However, it is only within the past ten years that increasing attention has been paid to the rich storehouse of wealth in the territories. Prior to 1964, the average number of claims staked north of 60 totalled something below the figure of 6,000. During the next five years there were five major staking rushes, reaching a peak of 52,000 claims staked in 1968. This represented a tremendous level of activity in exploration and development. In the early 1960s the annual value of minerals produced in the north approximated $30 million. By 1969 this figure had increased to $153 million and there were 11 major mines in production. Many other large mineral deposits have been discovered and are now undergoing evaluation and feasibility studies. It is of interest to note, however, that 64 per cent of the value of minerals produced in the north in 1969 came from foreign-controlled enterprises.

Petroleum exploration activity built up gradually through the early 1960s and then gradually tapered off until the major discovery of Prudhoe Bay, Alaska. This discovery sparked an unprecedented acceleration in the search for oil in the Canadian north. An additional 250 million acres were quickly brought under exploration permits and early in 1970 we found over 440 million acres were under permit. This virtually blanketed the whole of the potential oil bearing formations in the north. Where there had been $32 million expended on oil exploration in 1965, it was estimated that $75 million would be spent during 1970. Eighteen exploratory wells were drilled in 1965, and 56 wells were drilled in 1969. The discovery of oil and gas in the Arctic by the Imperial Oil Company and Panarctic Oils is an indication that activity as far as oil exploration is concerned will continue and grow in the years ahead. However, it is again of interest to note that of the land held under petroleum exploration permit in northern Canada, 69 per cent is held by foreign controlled enterprises.

There is no doubt that the federal government has sparked the oil and mineral exploration which has gone on in the north. A number of federal incentive programs have been set up and many of them are certainly required. I would like to believe that all these incentives were designed to assist in the development of our mineral assets for our own use. This is why we should have more processing of these resources in our own country. All of the incentives to corporations to which I have referred have had some effect on northern development. They have been costly to the Canadian taxpayers. Again, I must point out, however, that the statistics show that about two-thirds of this northern development is being undertaken by foreign corporations. This means we are subsidizing foreign promoters and companies to come into this resource rich land and take their pick of the best minerals available. It is not too comforting to realize most of the processing is not done in our own country. Over 60 per cent of our mineral output is exported and

with that export, of course, goes thousands of jobs needed by Canadians today.

There is no distinction made between foreign corporations and Canadian ones. Already more than 60 per cent of Canada's mining industry is owned or controlled by non-Canadian interests. We are therefore providing vast amounts of taxpayers' money in developing these resources, in providing incentive and tax exemption plans to encourage numerous foreign corporations to develop Canadian resources for export. Canadian are being deprived of jobs which could be provided by the processing of minerals in this country. Canada is then forced into the position of re-importing the finished products at higher prices.

• (3:50 p.m.)

It seems to me, Mr. Speaker, that it is time thoughtful Canadians began to look at the whole approach of government to resource development. We are gradually losing economic control of our country. We are gradually losing economic control of our vast stores of natural resources. Regardless of what individuals say, once you lose the economic control of your country, you lose political control. This is the position in which we find our country today, Mr. Speaker, and it is high time Canadians in every walk of life began to demand that the government take measures to restore this economic control to Canadians. At the same time, our people should insist that there be a major change in economic policy as far as the processing of raw materials is concerned. Far more of this processing must be done in our nation. It is in the processing of raw materials that the real job producing possibilities lie.

Canada has the raw materials. It has the workers. It has the educational and the technical skills. Yes, it also has the capital with which to start an accelerated program for this type of development. If this Liberal government is unwilling to move along these lines, then the people of Canada should turn them out of office and call for a new approach to the solving of unemployment and the stabilizing of industry in our nation. I suggest, Mr. Speaker, that in the bill before us there should be a clause which should insist upon the processing in Canada, preferably in the Yukon Territory itself, of all the minerals mined in that area. I urge that the members of this House study this proposal and make amendments to the legislation before us which will at least give us a start in this direction.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in rising to speak on Bill C-187, an act respecting minerals in the Yukon Territory, I think it is important to examine the climate for investment in the Yukon. I am speaking, of course, of climate in its broadest sense, that is, social, economic and political. In attempting to come to an understanding of the government's policy concerning the political climate for the development of our natural resources in the Yukon Territory, I should like to draw to the attention of all hon. members some very interesting remarks on this subject which were made by the Minister of Indian Affairs and Northern Development (Mr. Chrétien) at the 1971 symposium on "Petroleum Economics and Evaluation", sponsored by the Dallas section of the Society of Petroleum Engineers, to whom the hon. minister spoke on Tuesday, March 9, 1971.

The minister's office was, of course, kind enough to issue a press release of his remarks and I should like to quote from a paragraph on page 5:

> For over a century, Canada has avoided establishing barriers to the flow of this investment, except in certain limited fields, and has offered a stable environment for investment. This investment, of course, must operate within controls which protect legitimate Canadian interests. At the present time, some Canadians are asking themselves if there are ways of increasing their own investments in their own economy, or if the present controls are adequately protecting Canadian interests. The point I want to emphasize to you today is that foreign capital need not fear such questioning, for we will remain an open country seeking positive, not negative, answers to these questions.

That particular quotation ends here, Mr. Speaker. However, I should like also to quote a remark made earlier in the same speech:

> We will continue to require large amounts of capital to maintain our pace of development and expansion. While much of this investment will come from within Canada, a significant part of it will have to come from outside our country.

The remarks which I have quoted, which were made by the Minister of Indian Affairs and Northern Development, would, I think, lead any reasonable person to conclude that Canada was seeking and welcoming foreign investment as a means of developing our vast natural resources since this appears to be, as indeed the minister clearly suggested, beyond the present capacity of Canadians themselves.

Notwithstanding the very forthright encouragement and invitation to Americans in particular to continue their participation in the development of our natural resources, the same minister, when addressing this House on second reading of Bill C-187 in the same month of March, had this to say regarding non-Canadian participation in the development of the mineral resources in the Yukon Territory:

> Mr. Speaker, regarding Canadian ownership and participation requirements, you will note that such provisions are being included in the new act. This will ensure that new mines in the Yukon meet reasonable requirements of Canadian ownership.

The quotation ends here, Mr. Speaker. It is interesting to note, in contrast with the minister's speech in Dallas, just what he regards as "reasonable requirements of Canadian ownership". The proposed act, unlike the existing act, introduces Canadian ownership requirements which in effect state that a lease to mineral rights can be granted only to a Canadian citizen or to a corporation incorporated in Canada, and that 50 per cent of the outstanding shares of such corporations must be issued and beneficially owned by Canadian citizens or other such Canadian corporations. While this stipulation does not apply to leases and claims existing prior to the date on which this new act may come into effect, it nevertheless effectively discourages any future development of such existing claims or leases by foreign corporations or the development of new claims or leases by them. While it is possible for a company to circumvent the 50 per cent

Canadian ownership requirement by becoming a public corporation, some firms are forbidden to become a public corporation until they have satisfied certain prior commitments to their original shareholders. Indeed, this is the situation of Anvil Mines, the largest mine in the Yukon.

While I recognize, Mr. Speaker, that the hon. Minister of Indian Affairs and Northern Development is bilingual, I do not think that he should speak two different languages on the important matter of the development of our natural and national resources. In his speech in Dallas, he certainly gave unbridled encouragement to outside parties to come and participate financially and technically in the development of our resources. However, in the same month the same minister spoke about foreign participation in the development of the Yukon's natural resources in quite different language. In contrast to his remarks in Dallas, he advocated clear and strong measures, the practical effect of which for the Yukon will be that foreign investment will seek out other provinces, such as British Columbia, which do not have such hostile impediments to the development of their mineral resources.

I think, Mr. Speaker, we have seen what the political climate is in relation to the proposed Yukon Minerals act and that climate is not inviting. I should like now to say a few words concerning the economic climate of the Yukon. Mining has always been an endeavour for the hardy and the courageous. The Yukon requires these qualities in perhaps larger measure than elsewhere because of its remoteness, its long and deterring winters and the great practical as well as natural obstacles which have to be surmounted in order for a venture as uncertain as mining to be successful. The economic requirements for mineral development in the Yukon can only be described as stupendous.

To give hon. members a concrete example of the level of capital which is required to develop a mineral resource in the Yukon, I should like to quote from the experience of Anvil Mining Corporation Limited, a company incorporated under the laws of British Columbia, which operates an open pit lead-zinc mine and concentrator in the Yukon Territory about 130 air miles north and east of Whitehorse. Anvil Mining Corporation employs some 360 workers and supervisors and has just completed its first year of operations. It has invested in excess of $120 million in its mining operations in the Yukon Territory and has yet to realize a profit from its investment, although the outlook for this is exceedingly favourable, at least under the present act. This company is 60 per cent owned by a United States corporation; without this financial participation it may well be that this particular venture could never have been started.

It is estimated that in 1970 the mining industry in the Yukon accounted for over 50 per cent of the economy's output. Perhaps as much as three quarters of the work force of the Yukon is employed either directly or indirectly in the mining industry. I submit that the economy of Canada, to say nothing about the economy of the Yukon Territory, is already suffering from sufficient ills and anxieties to preclude additional ones being introduced. I submit that the government ought not now to be considering restrictive measures against foreign participation in the economy of the Yukon and increased royalties on the mining industry, while at the same time continuing to hold over the heads of potential investors the uncertainties of the government's new taxation measures which, on the basis of the thinking evidenced in this bill and on the government's recent actions, will only aggravate the economic problems of the Yukon.

• (4:00 p.m.)

The government, with its army of economists and other advisers, should know that under the best of conditions it would be a challenging task to attract all of the capital which this country needs to develop an area so remote and costly to develop as the Yukon. The economic climate of the Yukon is such that it cannot afford to sustain the vagaries, inconsistencies and ill-considered proposals that are advocated in this proposed legislation. The social and cultural development of the Yukon is inevitably affected by its economic climate which, in turn, is governed by the political climate set by the government of the day. There are, I submit, Mr. Speaker, great hardships in this proposed legislation. I am confident that these will be dealt with at length by other members of my party.

I should like, for the moment, to remind all hon. members that the Yukon is in a particularly vulnerable position, perhaps even a defenceless one, when we remember that it is a territory as opposed to a province. As such, it is lacking some of the means by which a province would resist the measures which are proposed in this bill. I believe, however, that because of the precarious conditions which do exist, the government is under a special obligation not to treat the Yukon as a ward of the state, but rather should remember that governmental policies which do not promote full political, economic and social development in any region of our country must inevitably be self-destructive.

The proposed legislation gives us grave cause to question the government's wisdom and intentions. Let us remember that in June of 1967 the government and the mining industry held extensive discussions in Ottawa regarding what should be included in a new act. The mining industry came away from this conference having reached a consensus with the government. However, it is interesting to note what they now say. I would like to quote briefly from their submission to the House of Commons Standing Committee on Indian Affairs and Northern Development. On page one of their brief, the Yukon Chamber of Mines states and I quote:

> The Chamber is profoundly disturbed, however, that the government has taken the opportunity since the consensus reached in 1967, to drastically alter the basic philosophy of the legislation on a number of key points to the serious detriment of the mineral industry and hence to the detriment of the economy of Yukon residents.

In closing, Mr. Speaker, I suggest that the act which is before us for consideration should show greater evidence of more equitable treatment by this government of the

people in the Yukon Territory as well as those people from abroad who have invested their resources, time and aspirations in the development of this great region. Indeed, Mr. Speaker, it seems to me that the kind of treatment which this proposed bill would mete out to the people of the Yukon Territory illustrates clearly the need for this House to consider at a very early date whether the time is opportune to confer upon the Yukon territory and MacKenzie territory the sovereign status of provinces. I believe that provincial status for both the Yukon and MacKenzie territories would benefit our citizens now living there, eliminate some important difficulties which they are now experiencing and, as well, prove to be a measure with broad popular support.

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, the hon. member for Kootenay West (Mr. Harding) has covered the greater part of the position of the New Democratic Party with regard to the bill before us, not only in the remarks he made today but in the previous segment of his speech on March 5. I do not intend to attempt to cover all of the ground that he did in the two parts of his speech. However, I propose to underline one or two aspects of the bill which he discussed.

The minister will recall that a good portion of the hon. member's speech was devoted to the question of the need for ecological protection in the Yukon territory. He emphasized the fact that we are still in the dark as to what the government has in mind in this connection and made particular reference to the action of Parliament last year in making some amendments to the Territorial Lands Act. We still have not had the regulations under that act presented to us which we were assured would be drafted to give some substance to the amendments passed last year. The minister may have some valid reasons for the delay, but I remind him that he assured the standing committee, when we were considering that bill, that a draft of those regulations would be referred to that committee for consideration last fall. We are well into spring and, indeed, approaching summer, but we still have no detailed knowledge of what the minister has in mind.

I think I am correct in saying that the minister made some statements to the effect that discussions had been held with mining interests in connection with the proposed regulations for the areas in which they were interested in the Yukon, and that some understanding had been reached. There should be some understanding between the minister and the members of this chamber as to what is contained in the regulations. That kind of understanding and knowledge should have priority over any behind-the-scenes agreement with the mining interests.

Mr. Chrétien: It is not with the mining interests, it is with the territorial councillors.

Mr. Barnett: The minister made reference to the territorial council. I may be in error, but I recall him stating that some discussions had been held with the mining interests. I gained the impression that the minister was, in effect, telling us that the mining interests were satisfied with what the government had in mind.

Mr. Chrétien: They will never be satisfied.

Mr. Barnett: Perhaps the interjection by the minister has put the situation in a more correct perspective. I remember being slightly puzzled at the time. I understood him to say that the mining interests had been easily and completely satisfied.

Mr. Nielsen: In no way.

Mr. Barnett: This brings to mind the fact that the Yukon is one of the more historic mining areas in Canada. It shares this position with the province from which I come. For quite a number of years I lived in a historic mining area of Canada which predates the Yukon, namely the Cariboo mining country of British Columbia. Anyone with that kind of background association, and who has lived in a mining camp area, can understand the minister's interjection about the mining interests never being completely satisfied.

• (4:10 p.m.)

In considering a bill of this kind, I think we should have in the background of our consideration the basic pattern that was set in the real pioneering days of the mining enterprise in this country. This pattern was started, at least in western parts, when man was lured to look for gold. In many respects this proposed law is repeating a basic concept of mining law that was designed to bring some semblance of order to the way in which individual prospectors and miners could utilize mining resources, at the same time avoiding a repetition in Canada of the law of the six-gun which one hears prevailed in the country to the south during the days of the California gold rush.

Mr. Nielsen: We have that order now in the existing act.

Mr. Barnett: In effect, Mr. Speaker, that is what I was saying. This law is a repetition of this basic concept that was built up in Canada and which goes back to the days when British Columbia was still a Crown colony under Governor Sir James Douglas, and Sir Matthew Begbie, our first chief justice, sometimes known as the "hanging judge", was keeping the boys in order in the mining camps of British Columbia. By this I mean that a large portion of this bill is taken up with the technicalities of how claims can be staked, where they can be recorded, how they can be recorded, and what has to be done in order that those who originally staked them can go ahead and exploit the mineral resources beneath the surface. I do not think any of us will quarrel with the need for the application of this basic concept of bringing in some rule of law to govern this particular type of activity. The question in relation to this bill is whether this is being done in a proper way or not.

I should remind the House, in view of the time lag since this bill was last discussed, that my colleague the hon. member for Kootenay West (Mr. Harding) did indicate we were not prepared to support the amendment which actually is the subject matter of this present debate. I should like to restate our feeling on this. Basi-

cally, it is that we should reserve our judgment on this question until the committee has had a full opportunity of listening to the pros and cons as they are put before us by the various interested witnesses. In saying that, I am not being directly critical of the hon. member for Yukon for having proposed the amendment, because as we all know he has a very special knowledge of and relationship to the situation in the part of Canada that he personally represents. We want to weigh the evidence that will be placed before the committee before making up our minds whether or not the provisions contained in this legislation are good, bad or indifferent. Then, based on that we may or may not wish to propose amendments to the committee.

From my own experience in the province of British Columbia, I would say that the era of the free-wheeling miner of the days of the gold rushes of the 1860's and of 1898 in the Yukon is all too often perpetuated beyond its time. As an elected representative of the people of Canada, I believe the time has come when we should sprinkle a little salt on some of the representations made by the mining interests. My colleague from Kootenay West has already made clear that large mining corporations today, in many cases multi-national corporations or corporations that are almost completely controlled in one way or another, principally by our neighbouring country, are asking us as legislators to accept attitudes that were taken in the days when it was man against man in the search for gold nuggets or the mother lode. Certainly, I feel this is something to which we should not agree.

This is one of the facts of life that the hon. member for Yukon and the people of the Yukon must recognize. By and large, the Yukon has been a relatively isolated mining community, but one of our constitutional responsibilities at the present time is to point out to the people of the Yukon that they are part of Canada, that the concepts that are applicable in other jurisdictions should also be applicable in the Yukon. I well realize, of course, that my basic philosophy in regard to the jurisdiction and ownership of natural resources is very different from that of my friend from the Yukon. As far as I am concerned, let me say at once that our natural resources, particularly the non-renewable resources, whether in the Yukon or in British Columbia, in Quebec or in Labrador, should more and more be regarded as the property of all the people of Canada, not only of those living in Canada at this particular time but the property and heritage of future generations.

Mr. Nielsen: Would the hon. gentleman permit a question?

Mr. Barnett: Yes.

Mr. Nielsen: If the hon. member believes in that philosophy, does he advocate that the resource jurisdiction now held by the provinces be returned to the federal authority?

Mr. Barnett: Mr. Speaker, I have no dogmatic answer to that question, but I will say that personally I think if we are going to have a truly rational use and exploitation of our resources, this is one question that should be considered in relation to the development of a new constitutional arrangement within confederation. As a matter of fact, I think in many ways this is a much more basic consideration than some of the aspects of constitutional jurisdiction and possible constitutional amendments that I have heard debated at length. We have to devise some methods which will not centralize the administration in one spot in the country. We must give greater recognition to the concept that these resources are a national heritage which we, as Canadians, hold in trust for some of the people who live in other parts of the world. I say this in response to the question asked by the hon. member for Yukon (Mr. Nielsen), but without particular reference to the Yukon Territory or its aspirations to move more rapidly toward full provincial status.

• (4:20 p.m.)

I make these remarks as a result of having lived in the Province of British Columbia since 1952, where we have witnessed the never waning ambitions toward parochialism displayed by the government of that province. I should like to make it quite clear to the hon. member for Yukon that I am basing these remarks very much on my observations of what has been going on in my own province, and in many cases this has been contrary to long-term national interests of Canada. Without going into this, let me say in passing that one of the prime examples is the attitude displayed in respect of the development of the resources of the Columbia River. The attitude shown by a former Liberal administration of Canada was one of a willingness to acquiesce too readily. However, I am straying from the subject matter of the Yukon minerals bill. I shall try to relate my remarks more directly to that matter.

As I said earlier, the hon. member for Kootenay West talked about our belief in protecting our ecology. He also expressed his interest and concern about the lack of opportunity for the native population to participate in mining activities in that part of Canada. Let me relate some of my remarks to the Canadian native population, not directly in that area of employment by mining corporations of Indian people but more in respect of their basic rights to the lands of the territory.

Let me say at once that this question is not restricted to the Yukon Territory alone. This is a question about which I have a basic difference of opinion, particularly in relation to the policy which has been announced by this government. In response to a question in the House not long ago, the minister expressed the view that all of the lands in the territories belong to the Crown, except those which have been specifically alienated. He said this was the basis of jurisdiction in the territories and to a large extent in British Columbia. In the territories there are not reserve lands set aside. The position of the government is that the Indians, Métis and Eskimos do not even have squatters' rights in the land in which their forefathers have lived since time immemorial. This attitude is carried forward in this bill. I might say that had the hon. member for Skeena (Mr. Howard) not been preoccupied he intended to deal with this aspect of the matter.

I wonder whether the minister has acquired any new outlook or attitude on this question as a result of his recent visits to New Zealand and Australia. One part of this bill relates to the acquisition and recording of mineral claims. It refers to the method to be used and the individuals who may acquire claims. It contains a proviso which exempts certain lands from being staked for mineral claims. It makes it clear that you cannot stake mineral claims on any lands to which the National Parks Act applies. It also makes it clear that you cannot stake a mineral claim on any land used as a cemetery or a burial ground. It goes on to refer to other applications of this exemption principle.

One can search in vain for a proviso in this bill which prevents anyone from staking and applying the full jurisdiction of this act to land that might be occupied by Indians. I suggest this is indeed regrettable and a revealing feature of this legislation. This is not confined solely to the Yukon Territory. This is much more pointed in respect of the Yukon Territory than it is in respect of British Columbia, Labrador or Ontario, because the Yukon has a common boundary with one of the newer states of the United States, namely the state of Alaska, which up until recently held the status of a territory. I cannot help but wonder what the Indian people of the Yukon are thinking about the attitude and ideas being displayed by the government of Canada compared to those being discussed in the United States Congress.

Although the matter has not been finalized, there is a concrete proposal before Congress that involves the payment of something in the order of $1 billion to the aboriginal inhabitants of the state of Alaska for their rights to that land. The proposal provides that there shall be hundreds of thousands of acres set aside for their continued use and over which they will have jurisdiction. It provides that under these arrangements the natives will receive royalty payments as a result of the exploitation of the resources on and beneath the ground. When this arrangement is completed, these people will not have to care whether the Anvil Mining Corporation or other mineral companies hire them. They will have some rights and resources which will stem from their basic heritage in that land which they and their forefathers occupied long before we came.

• (4:30 p.m.)

So far as I am concerned, when we deal with this bill, we re-emphasize what is the greatest Canadian shame. We have absolutely refused, so far as the government is concerned, to recognize that those people have any rights, that they were here before those people to whom we so often refer as the founding peoples of Canada. These are rights which should be recognized as being more basic than the constitutional rights of French-speaking people, English-speaking people or people of any other language in Canada. One of my basic objections to a bill of this kind is that it turns over, so far as the exploitation of minerals is concerned, to any individual 18 years of age or over on his own behalf or on behalf of any corporation authorized to carry on business, the territory for the staking of mineral claims, except in national parklands or other exempted parts of the land, without any consideration at all of the idea of there ever having been a human being on this continent before the colonialists, be they French or English, arrived here.

Since we are talking about land near Alaska, I suppose I should say "or be they Russian". Perhaps getting that close to home I should say "or be they Spanish", but as we know the Spanish heritage is left in Canada only in the form of a number of place names which grace the province of British Columbia. Part of the name of my constituency is one such name. "Alberni" comes from "Don Pedro Alberni". So, we can forget about the colonialists from Spain and from Moscow, and think in terms of the fact that we, as a result of our rights in a sovereign state, are the inheritors of the colonizing regime of Britain and France. As I have said before in this House, while Britain and France have been doing something about unwinding their colonialism in Africa and Asia, we in Canada who are the inheritors of the colonizing regime are doing nothing to recognize the basic rights and basic freedoms of the people who were here before our colonial ancestors arrived.

Nothing in this bill gives any recognition of the fact that there is a single Indian who is native to the Yukon Territory. We know there is not as high a percentage of Indian population at present in the Yukon Territory as there is in the Northwest Territories, but the principle is the same. To me, the situation is highlighted by the fact of the juxtaposition of the Yukon Territory to the State of Alaska. What I have in mind perhaps is not something which could be done in dealing with this legislation. I am not sure the act could be amended to recognize the situation I have tried to describe, although some of us may have a crack at it when the bill reaches the committee. This, of course, is a broader question which in large part lies beyond the scope of this bill. Certainly, however, it is highlighted by the manner in which the bill is drafted in respect of the right, in practical terms, of only a few larger corporations to exploit the natural resources which lie under the ground of the Yukon Territory. Apart from any other considerations involved, I think when we reach the committee stage of this bill I should like at least some consideration to be given to this particular aspect of it.

Mr. Stan Schumacher: Mr. Speaker, in dealing with Bill C-187, the Yukon minerals bill, I should like to comment at length on the new royalties which are proposed in this legislation and the adverse effect which these, if carried forth into law, will have upon the economy of the Yukon. In order to assess the full implications of these measures for the Yukon, I think it would be helpful if we were to turn our attention to that curious document published by the Minister of Finance (Mr. Benson), which most of us had thought was a white paper on taxation but which we have been recently informed is merely a document containing some propos-

als for tax reform. In any event, on page 65 thereof, paragraph 5.32 we find this:

> At present the profit derived from the first three years of operation of a new mine are exempt from Canadian corporate tax. This provision provides an incentive to corporations to commit the large amounts of money necessary to develop a mine, and recognizes that this commitment must often be made at a time when the extent and quality of the ore body cannot clearly be ascertained. However, the government believes that in many instances the three year exemption is too generous. Neither exploration and development costs nor depreciation need be deducted during the exempt period. As a result, many more than three years profits are effectively exempt, and taxpayers can recover much more than their investment without becoming taxable.

Notwithstanding the admission by the Minister of Finance of the risks involved in mining, he, nevertheless, advocates in his "proposals for tax reform" that retrenchments be made in this important concession to the Canadian mining industry which in many respects has been responsible for its significant growth.

It is interesting to note the remarks of the Senate Standing Committee on Banking, Trade and Commerce, in its report on the white paper, particularly as stated at page 37. The report notes that the estimated net foreign earnings of the Canadian mining industry amount to some one billion five hundred million dollars per year and that the mining industry's activity has benefited all sections of Canada significantly. The Senate report acknowledges that substantial profits have been realized in the mining industry. It also acknowledges that corresponding risks have been taken. I can only commend to those hon. members who might be inclined to support the finance minister's views the remarks contained in paragraph 11, page 38 of the Senate report which I should like to quote:

> The defect in the white paper's approach to the financing of the developing of mineral deposits is that it fails to take into account the essential difference between the two types of investors and the demand of the risk investor for rewards that are commensurate with the greater risks in this area of mining development. The proposals to permit new mines under certain conditions to write off 100 per cent of the cost of mining machinery and buildings to allow deduction of the cost of acquisition of mineral rights as part of the cost of exploration and development are in the opinion of your committee completely inadequate as a reward to attract the financing to begin a program of exploration and development of mineral resources.

• (4:40 p.m.)

Some hon. members will no doubt be tempted to point out that since the publication of "Proposals for Tax Reform", the Minister of Finance has made certain concessions which will affect the taxation of the mining industry. One of these concessions is that the federal tax abatement for mining will be increased from 10 per cent to 25 per cent. What we must, however, bear in mind is that the Yukon territory is not a province, and consequently the benefit of this abatement does not apply to it. Mining in the Yukon is thus placed in double jeopardy by the completely illogical position of being subject not only to a new scale of higher royalties as proposed in the bill under consideration, but also to materially higher taxation than mines in other provinces as a result of the new taxation measures proposed by the Minister of Finance and which, for some curious reason, he claims to be reforms.

I submit that the government simply cannot have it both ways. It is completely unreasonable for them to expect to have high taxation rates apply in high risk industries. The government must also be mindful of the fact that Canada is not the only country with vast undeveloped natural resources. While of course, at least until very recently, our stable political climate and the existing taxation incentives have served as inducements to foreign mining interests to participate in the development of our resources, we would be nothing less than naïve to think that the measures which are proposed in the present bill, plus the impending measures which loom on the horizon in the government's taxation plans, will serve to retain and permit continued foreign participation in this very costly and high risk segment of our economy.

I submit that it is further evidence of the inconsistencies of the government's thinking for it to have a Department of Regional Economic Expansion concerned with promoting economic growth in the slow growth areas of our country, while at the same time the same government proposes measures which will obviously compel mining interests to seek more attractive areas, and possibly areas outside of Canada, in which to invest. Certainly the Yukon territory would not be an area in which these companies would invest should these ill-considered measures come into law.

Surely, the royalty rates which apply to mining in the Yukon territory should fully reflect the fact that mining operations there will not benefit from tax abatement provisions because the territory is not a province. Moreover, they should also reflect the fact of the enormous distance which the ore has to travel from its original source to its marketplace, thus making the operation far more costly than if it were located in the lower regions of Canada. The precise details of the royalties provisions in the proposed act are far too lengthy and complicated for me to deal with specifically and individually at this time. However, hon. members will find upon studying them that not only do the royalties reflect an increase from the preceding act, but they are as well clouded with uncertainty for mine owners by the provision for extensive administrative discretion concerning the amount of the various deductions which the government will permit mines to claim in arriving at the value of their output in the course of any year.

I have tried to make clear that high levels of taxation and high levels of development in the Canadian mining industry are incompatible. I think this claim is borne out in the submission made to the Standing Committee on Indian Affairs and Northern Development by the Yukon Chamber of Mines, and I should like to quote their remarks in this connection. On page 7 of their brief the following is stated:

> This high level of exploration activity is unlikely to continue in 1971. Respondents to a questionnaire circulated to this chamber, to major exploration and junior mining companies who had carried out Yukon exploration in 1970 almost unanimously reported reduced exploration budgets for 1971. Replies from 39 companies which spent $5.7 million in 1970 forecast expenditure of only $2.3 million in 1971, a drop of some 60 per cent. This

sharp drop can be partly attributed to reduced operating profit due to lower metal prices, and junior mining companies being unable to raise risk capital on the stock exchange. However, nearly all respondents indicated Bill C-187 and the white paper on tax reform were factors in their decision to reduce their budgets.

I suggest that there is ample evidence in the experience of other countries to enable us to see that it is never a difficult thing for a government to drive foreign investment from a country. When so many Canadians regard government bonds or real estate holdings as vastly preferred investments to participation in our natural resource industries, I think it would be negligent of us not to give the most careful scrutiny to the implications of the legislation before us. It is easy to say that those people in the mining industry are pleading a special case, and no doubt to some degree that is so. I am, however, well satisfied that their experience is such that it behooves us to give it the most careful consideration before we reach any conclusions concerning it.

The Mining Association of Canada has published an interesting little booklet, on page 2 of which are contained some remarks regarding certain factors which have contributed significantly to the growth of the mining industry in Canada. The third paragraph reads as follows:

Confidence that the ground rules will not be changed have been a vital factor in the growth of the mining industry to its present size, a growth which has been at least at twice the rate of the over-all Canadian industrial sector. This certainty of government and public policy has encouraged the mining industry to undertake the long term risks involved in pushing further into the unknown and undeveloped parts of the country.

The mining industry in the Yukon has been developed on the basis of courage, optimism and good faith. Just when it is beginning to show signs of its full potential, let us not rush in with untimely and unwarranted measures that could well lead to its destruction. Any benefits which the government might derive from increased royalties on mining in the Yukon territory could well be offset by mining companies directing their future explorations to more favourable areas. The economy of the Yukon is so demonstrably tied to mining, that it ought not to require any great insight to anticipate what the effects on it will be if mining ventures are driven from it or discouraged from expansion by legislation which is of such a negative and restrictive nature as that proposed in the present bill.

Before concluding, I think it could well be suggested at this time, in view of the ever expanding interest by the Canadian people in the question of economic nationalism, that this would be a place to start with positive suggestions or proposals to the Canadian people to allow them to participate in the development of the resources of this country.

• (4:50 p.m.)

I feel that all the discussion which has taken place during the past six or eight weeks about our losing control of our resource industries has been really unnecessary. First of all, I believe that the resource industries to a large extent are subject to governmental control and regulation, and so long as the country or the provinces having jurisdiction over these resources, have the proper rules and regulations and those rules and regulations are enforced, then we should not really worry about who owns the resources. Ideally, of course, I think that Canadians should own Canadian resources, but I would not be prepared to opt for government ownership if that were the only way we could have Canadian ownership.

It is the function of the government to create the proper atmosphere to draw Canadian funds into developing areas. For too long we have been operating on the basis that we have been at a disadvantage compared with people who are not Canadians. We can point to examples where our own money has been used by foreign companies to develop our resources. A major illustration of this is the petroleum industry in western Canada. To a large extent the petroleum industry in western Canada, which is more than 50 per cent foreign owned, was developed with Canadian funds, but Canadians were unable to have the same advantage in the use of their funds as foreigners had. This situation has gone on for too long. Here, we have an opportunity to reverse that trend, to set up a royalty schedule which would give a clear advantage to Canadians who would take the risk of developing these resources. I would urge the government to consider taking this important step. In my opinion, this is the only practical way in which Canadians will roll back the high percentage of foreign ownership, particularly in the resource development field.

Mr. John Lundrigan (Gander-Twillingate): Mr. Speaker, it is with a great deal of pleasure I take the opportunity to participate in the debate on Bill C-187 in support of my colleague from the Yukon and of other members on this side of the House who have spoken. It is very clear that hon. members on the other side of the House do not intend to take part in the debate. This debate is very complex. It goes far beyond the reaches of the Yukon, and certainly is of much more significance than just the specific aspects of it that apply to the northern part of Canada. The thing which struck me most forcibly about the hon. member for Yukon's objections to the legislation was his concern about the regulatory powers being given to the minister and the government in relation to the mineral code of the Yukon, and I suppose we can say to the mineral code of the north. This is a clear indication of excessive government intervention, involvement and control in the development of the northern frontiers of the Canadian nation.

The hon. member was very concerned about this. From talking to people who are conversant with that part of Canada, I understand that this bill has already had a significant impact by scaring away capital necessary for the development of the northern parts of Canada. Already we are reaping the negative benefits of a piece of legislation which is still before the House, but which hopefully will be withdrawn and will never become part of the law of the land. Although I do not represent the Yukon, the Northwest Territories, or even Labrador, I have a particular interest in the northern part of Canada

because I feel that it epitomizes the youth, vigour, and the potential for development of the Canadian nation. It is the great frontier of our resources. Unlike Ontario, which is highly industrialized and developed, the Yukon, the Northwest Territories and Labrador are relatively undeveloped, despite the fact that people have been working in those regions for centuries.

The great industrial complex of Ontario, of Montreal, and many of the great industrial complexes of certain parts of the United States, such as the New England States—Pittsburgh in particular comes to my mind in connection with Labrador—depend on northern Canada for their existence. This is their resource area, and this is the area in which we need the clearest kind of direction and legislation, particularly with respect to our foreign ownership and our taxation policies.

When I was 16 years old I worked, for the first time in my life, at Schefferville, or Knob Lake as we called it, which is on the borders of Newfoundland and Quebec. I may say that Quebec is still concerned about the legitimacy of the border between it and Newfoundland, which was established back in the early part of the twentieth century, but that is a political debate which has little significance in connection with this bill. That particular community of Knob Lake, in the wilderness of Canada, at that time had a work force of over 2,000 people, all entirely depending on the development of the mineral resource of that part of the nation, which is iron ore. I worked on building a railway which runs from Seven Islands, Sept Isles, some 360 miles to a little known community. That railway was being built by the Quebec North Shore and Labrador Railway, for the specific purpose of developing iron ore resources. It indicated the extent to which people are willing to risk their financial resources in order to develop something of great potential. Frankly, in most cases, the aspiration of the developer, be he an individual or a company, is to make a killing. Developers have an ambition to increase their wealth and financial power. We have to build enticements and attractions into our taxation policies to draw Canadians with power, vision, determination and drive into remote parts of Canada to develop the natural resources of our country.

I have not been in that area since 1956 or 57 but I have had occasion to visit many other newer mineral developments, and other kinds of resource developments. If the hon. member for Grand Falls-White Bay-Labrador (Mr. Peddle) were present, Mr. Speaker, with his expert knowledge he could give you in more detail some idea of the $1 billion development project taking place at Churchill Falls, which last year was employing a work force of 6,400. I visited Churchill Falls and was told at that time that it had the second largest labour force in North America, the largest being engaged in the American space program. The total financial resources required for the project come from private sources. I cannot say exactly what proportion of them is made up of American dollars but I want to tell you one thing, Mr. Speaker, that we were not too concerned with the question of whether they were Canadian, Chinese, Russian, Indonesian or American. As long as we got the development, we were quite happy to see it, the largest hydroelectric project in the world, employing a labour force of 6,400 persons. This labour force will be reduced over the next five years as the project develops, but the main thing is that we are getting this major development all out of private capital.

• (5:00 p.m.)

In St. John's, Newfoundland, last year I listened to the competent new President of Brinco, Mr. Mulholland, who spoke before our Finance Committee and presented a report on behalf of his company. He said that if the uncertainty which now enshrouds the taxation system in Canada, and encompasses every way of life, had existed when the promoters of Brinco contemplated the Churchill Falls project, it would never have gotten off the ground. I thought that a very dramatic statement by a businessman in Canada. He also said that the $500 million development on the lower Churchill, the Gull Island development which would cost half a billion dollars would never be developed with the present lack of incentive and tax uncertainty in the Canadian nation. This is as close as I can come to his words, but I think they sum up dramatically the uncertainty and concern in the minds of Canadian developers and businessmen as far as development in the north is concerned.

I should like to suggest that every member of the House of Commons visit Labrador before the project is completed, and after as well. It is the most magnificent development that I have ever seen. I felt like Gulliver in the land of the giants. Everything from the wrenches to the butter dishes in the dining room, which holds 3,000 people, was out of proportion to reality. One expected to see men ten or 12 feet tall walk around the corner. This is the kind of development that we have now in northern Canada, in the last great frontier, the great Labrador mainland part of the province of Newfoundland. It is only one of several types of development in that part of the country, an area which in the next 20 or 30 years will contribute much to the development of our nation.

In that part of the country there is no one who is a drag on the Canadian public. Everyone is contributing heavily in taxation through force of circumstances. With the positive taxation position of the Labrador part of the province, Newfoundland is more significantly a financial part of the nation than most Canadians realize. There are other areas of that country which are developed. I refer to Wabush and Labrador City, which has a population of about 8,000, and its twin city has about 7,000 or 8,000 people.

What has all this to do with Bill C-187 which is before us? I do not exactly understand the purpose of the government in introducing this measure, but it does give Members of Parliament a chance to expound on some of their attitudes toward foreign ownership and such matters. One aspect of this bill is that it places an embargo on investment in the Yukon. Reading the bill, and the remarks of the hon. member from the Yukon, makes me wonder if it should be classified as kite flying. Is the government flying a kite to see how this kind of thing works in the Yukon? Is the Yukon being used as an

experiment, an economic guinea pig or is this a specific policy to be applied to the Yukon with no relevance to other parts of Canada? The government seems to be declaring some of its foreign ownership policy in Bill C-187. Is it the intention of the government to seek the reaction of the Canadian investor to the stand it has taken? The hon. member for Vegreville (Mr. Mazankowski) today asked the Minister of National Revenue (Mr. Gray) when he would be willing to make a categorical and definitive statement on Canadian ownership. The minister replied that he was not ready. He has not taken up any stance as yet.

Our party has suggested some guidelines to follow in trying to classify Canadian industry into areas where we would demand complete Canadian control, areas where there would be at least a major equity owned by the Canadian government and areas which would be completely free for any kind of investment from any part of the world. We do not know where this government stands on foreign ownership, and I am a little scared of placing complete restrictions on the flow of foreign capital into Canada. I must add that this is my own position and not the position of my party.

A recent book by Mr. J. J. Servan-Schriber, "The American Challenge", sums up the dilemma of the American investor regarding American control, the superiority of American technology and managerial skills on the one hand and the incapability of certain countries, such as Canada and many European nations, to finance their own projects and thereby retain a certain amount of independence. This is great political hay. People can say that we have to be careful not to have American domination and control. But these are not the things that worry me. What does worry me is that we have the resources which are being exported to other nations without due regard to further refining, further development and further processing within our own country. I am much more concerned that we should adopt policies in 1971 which would take effect in the next ten years to try and get maximum employment from our resources.

The history of Great Britain shows that their mercantile policy of the sixteenth and seventeenth centuries was to bring in raw materials from the colonies, such as Newfoundland, India, the great African nations and Canada, to refine these and resell the goods to the colonies at a substantial profit, thus ensuring employment in Great Britain. That policy may have been responsible for the several centuries of British economic domination of the world. Certainly, we have learned from that experience the need for Canada to adopt policies which will ensure a greater labour return from our resources.

My own native province of Newfoundland, Nova Scotia, Prince Edward Island, New Brunswick and the Gaspé area of Quebec were exporting almost every pound of fish to the American nation without being refined. All the processing of our marine resources was done by American labour. Economists have calculated that if we could adopt a proper tariff structure and proper trade relations with the United States regarding that product, we could obtain the maximum return from the processing and almost overcome all the economic disadvantages and the unemployment problems of the Atlantic region. That is a complicated question which time does not permit me to develop.

Another example is the minerals which go from Labrador to the United States market. They must be responsible for some of the boom experienced in the industrial centres of the United States. Timber would be another example. My friends from British Columbia probably know the correct technical terms relating to this subject. It is my understanding that we take raw logs, without processing them, and ship them in that state to the Japanese market. They might be logs that are five inches or five feet in diameter, as the case may be. I understand from my friends from British Columbia across the way that we may be able to do something about this. Nevertheless, at present we ship that kind of resource to the Japanese market. Also, coal from Alberta is shipped to Japan to keep the great industries of Japan going. I believe that an NDP member has said that for every job created in Canada by the export of these resources, 20 jobs are created in Japan. In other words, we are exporting coal worth one job and creating in Japan manufacturing worth 20 jobs. The Japanese send the finished products back to us. There are companies on the east coast of Canada involved in the manufacturing of paper which are required by the provincial government concerned to send logs abroad for processing. Certain Canadian companies are sending logs overseas to feed their paper mills in England. I am talking about the Bowater Company on west coast of Newfoundland, which is required to export a raw product.

• (5:10 p.m.)

Why has nobody launched an offensive to determine how best we can retain these resources in Canada so that we may obtain a better labour return from our resources and overcome unemployment? That concerns me much more than where the dollars come from for the development of these resources. We do not want to say to a company wishing to go to Schefferville, Whitehorse or Prince Rupert, "You cannot go there because you are financed by American capital." Nevertheless, we ought to lay down guidelines as to how such companies shall operate and how our resources shall be developed, as well as the extent to which resources shall be permitted to leave Canada in a raw state.

In any event, I have only scratched the surface of any arguments about resource development or foreign ownership. I sympathize with the position of the hon. member for Yukon (Mr. Nielsen). It seems that under Bill C-187 the Governor in Council—and it is the government's favourite pastime to enact legislation which says that the Governor in Council can do certain things—can lay down regulations the effect of which will be to scare away capital seeking to develop the mineral resources of our north. If the government is flying a kite, if it is bringing in a sort of trial foreign ownership policy, if, as suggested, the Yukon is being used as an economic guinea-pig, then I suggest that the bill had better be scrapped quickly or delayed. I do not know what tricks the hon. member for Yukon may have up his sleeve. In any event

I suggest that further consideration of the bill ought to be deferred for six months or two years. I think we ought to reassess the impact that this bill will have on the development of the Yukon and the development of the north generally, because certain implications flow from the effect that this bill will have on Yukon development. The Yukon Territory is a province. No provincial government, on behalf of that territory, can exert pressure on this government. No Yukon provincial government exists to say to the federal government or the Prime Minister, "We question this and want you to reconsider it." The hon. member for Yukon has the burden of speaking for that part of Canada. That is why he has taken up the fight on behalf of the territory and why I and others are concerned about it.

I should like to see other hon. members speaking up against what appears to be an attempt to impose much more state control. I do not mind if I sound like an old Tory—that is another four letter word. The premier of my province talks about a Tory as if that were some kind of unclean animal. I always sort of cringe when I hear him talking on his morning open line program. Of course, "Joey" is also a four letter word, something he has not realized. If I sound like a Tory, I make no apology. I feel that those developing the northern part of Canada must be considered. They have the youth, vigour, drive and determination to develop our resources. That is where the future of Canada lies and those resources have hardly been touched. They are practically unknown. The area is not developed. Its great hydroelectric potential has not been developed. Its minerals are undiscovered. We do not know much about the north, despite all the exploration that has taken place. The area epitomizes the Canadian dream. I do not want the government to do anything that will impede that development. We must look to the north for our future.

Instead of bringing forward legislation like Bill C-187, I should like to see the government come forward with a declaration of expectations, aspirations and goals relating to the development of the north. In conjunction with these expectations, aspirations and goals, let us build in some kinds of incentives that will enable Canadians to apply their energies with greater determination for the development of the north.

When the white paper on tax reform was first introduced, certain tax exemptions enjoyed by Canadian mining companies were to be taken away. That scared away certain anticipated development in the north. As a matter of fact, recently the hon. member for Grand Falls-White Bay-Labrador said that a $160 million development at Wabush was cancelled because of tax uncertainties. The Minister of Finance was so scared about the possible effects of the white paper that he has amended it even before bringing it forward as legislation. I do not know whether hon. members are aware of this. Even before bringing forward that white paper as legislation, the Minister of Finance changed some parts of it. As I understand it, he did not allow mining companies the sorts of tax concessions they enjoyed formerly. He modified the provisions of the white paper regarding tax concessions in order that mining companies could go ahead with greater confidence.

I should like to see the government of Canada outline a definite policy on takeovers and foreign ownership. It should let us know where we are going. This has been a very brief commentary, Mr. Speaker, and it has been ad hoc to say the least. As the bill progresses, and as hon. members contribute their thoughts, we should become more conversant with its details and add our individual two cents worth of contributions when it comes before the House again.

Mr. Greene: Mr. Speaker, I rise on a point of order. I wonder if I might have the consent of the House to revert to motions for the purpose of making an announcement in which I think the House will be interested.

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

THE CANADIAN ECONOMY

HOME OIL COMPANY—ANNOUNCEMENT OF RETENTION OF CONTROL IN CANADA

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I apologize for not having made this announcement in the normal fashion on motions earlier in the day but I was not able to make the announcement until all stock exchanges in Canada were closed, which was at 5.01, according to my understanding.

I am pleased to report to the House that control of Home Oil Company Limited has been retained in Canada. Mr. R. A. Brown Jr. has entered into transaction with Consumers' Gas Company of Toronto, under which Consumers' Gas will acquire the controlling interest of Mr. Brown and his family in the voting shares of Cygnus Corporation Limited which, in turn, controls the voting shares of Home Oil. The details of this transaction will be announced by the parties sometime later this afternoon. Consumers' Gas Company is owned by approximately 28,500 shareholders, of whom 97 per cent are residents of Canada.

I obtained the consent of the parties to make this announcement first in the House, because I know that the House is extremely interested in this matter. The House was very helpful in the debate on the matter and I had undertaken to members of the House to keep them posted, as soon as I was able to, about any dealings with respect to this company.

Some hon. Members: Hear, hear!

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, it is quite obvious from the tenor of the announcement the minister made this afternoon that, in his negotiations, he accepted the advice of members of the official opposition. In his remarks, the minister expressed appreciation for the high quality of the debate that revolved around this important subject. After all, the Home Oil Company is one of Canada's great independents. As I recall the debate the essence of the information was that there is in Canada sufficient capital resource and Canadian initiative

in these matters if the government would only clarify its confused thinking on its resource policies.

• (5:20 p.m.)

One of the greatest deterrents to resource development for the past year or more has been the on-again off-again debate and discussion precipitated by the ill-conceived white paper on tax reform. It was obvious that it had created a pall of uncertainty which made it impossible for Canadian investors to anticipate future prospects with respect to their investments. By the announcement which has been made in the House that negotiations have been going on behind the scenes by the minister, on behalf of the government, in order to assure the parties which might be concerned in making this achievement possible and retaining the Home Oil Company in the hands of Canadians, the government has made it clear that there will be no threat to Canadian investors in the legislative proposals that will be brought down as a result of the extensive discussions on the white paper. I hope that legislation will be before the House at the earliest opportunity.

If these behind the scenes negotiations have been going on, and if this assurance has been given, for example, to the Consumers' Gas Company, it is only fair that other potential investors in Canada's resource industry should have the same assurance, so that the uncertainty or confusion can be dissipated as quickly as possible. We can then resume the development of our Canadian resources in the best interest of Canadians in all parts of the country. This is encouraging news. I am sure that if the government will pursue other developments with the same vigour that it has exhibited when sorting out this difficult matter, there will be many such developments to cheer for in Canada.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, first may I say that it is good to have announcements like this made in the House of Commons. I noted that the minister enjoyed doing that on this occasion. I trust he will keep it up.

We welcome the fact that the government has been able to announce that the control of Home Oil is to be retained in Canada. The only comment I want to make is that the minister was right the first time; public ownership would have been even better. Bearing in mind what was just said by the hon. member for Brandon-Souris (Mr. Dinsdale), I suggest to the government that instead of taking wrong advice from the official opposition, it would have been better if they had consulted us.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I would like to say how pleased we were to hear the Minister of Energy, Mines and Resources (Mr. Greene) announce that Home Oil Company has been sold to Canadian residents. However, the term "Canadian residents" worries me a little. I would have liked it better if the minister had used the simple term "Canadians", because "Canadian residents" suggests those people may be foreigners who have a few holdings in Canada without being Canadian citizens.

I believe that by and large we may be happy because the deal seems to indicate at least that the government is going in the right direction.

[*English*]

The Acting Speaker (Mr. Richard): Order, please. The House will now resume consideration of the business interrupted by the announcement by the minister.

GOVERNMENT ORDERS

YUKON MINERALS ACT

ADMINISTRATION, ACQUISITION AND RECORDING OF CLAIMS, ETC.

The House resumed consideration of the motion of Mr. Chrétien that Bill C-187, respecting minerals in the Yukon Territory, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development, and the amendment thereto of Mr. Nielsen (p. 4009).

The Acting Speaker (Mr. Richard): Is the House ready for the question on the amendment?

Some hon. Members: Question.

The Acting Speaker (Mr. Richard): All those in favour will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Richard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Richard): In my opinion the nays have it.

And more than five members having risen:

The Acting Speaker (Mr. Richard): Call in the members.

The House divided on the amendment (Mr. Nielsen) which was negatived on the following division:

• (5:30 p.m.)

YEAS

Messrs:

Alexander
Alkenbrack
Baldwin
Bell
Bigg
Cadieu
Coates
Code
Crouse
Danforth
Dinsdale
Dionne
Downey
Fairweather
Fortin
Gauthier
Godin
Gundlock
Harkness
Howe
Knowles (Norfolk-Haldimand)
Laprise
Lundrigan
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
MacRae
McCleave
McIntosh
McKinley

Division

Messrs:

Marshall
Mazankowski
Monteith
Moore
Murta
Nielsen
Noble
Paproski
Ricard
Ritchie
Rodrigue
Ryan
Schumacher
Scott
Simpson
Southam
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Thompson (Red Deer)
Valade—51.

NAYS

Messrs:

Allmand
Andras
Badanai
Barnett
Barrett
Basford
Béchard
Blouin
Boulanger
Chrétien
Clermont
Cobbe
Comtois
Corriveau
Côté (Longueuil)
Danson
Deachman
Éthier
Forget
Francis
Gendron
Gibson
Gillespie
Goyer
Gray
Greene
Guay (St. Boniface)
Haidasz
Harding
Hogarth
Hopkins
Hymmen
Isabelle
Jerome
Kaplan
Knowles (Winnipeg North Centre)
Lang (Saskatoon-Humboldt)
Laniel
Leblanc (Laurier)
Lefebvre
Lessard (LaSalle)
Loiselle
Macdonald (Rosedale)
MacEachen
MacGuigan
MacInnis (Mrs.)
McBride
McIlraith
McNulty
Morison
Murphy
Noël
O'Connell
Olson
Otto
Pelletier
Penner
Perrault
Portelance
Pringle
Reid
Richard
Richardson
Roberts
Robinson
Rock
Smith (Saint-Jean)
Stafford
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
St. Pierre
Sulatycky
Thomas (Maisonneuve-Rosemont)
Trudeau
Trudel
Turner (London East)
Walker
Watson
Whelan
Whicher
Winch
Yanakis—82.

• (5:50 p.m.)

Mr. Speaker: I declare the amendment lost. Is it the wish of the House that the Chair put the question on the main motion?

Mr. Baldwin: Mr. Speaker, I think it is the wish of the House that the motion be discussed later. I wonder whether the government House leader can tell us if we are to pursue the same discussion on this bill tomorrow.

Mr. MacEachen: Yes, Mr. Speaker; that is the intention.

Mr. Speaker: It being six o'clock, pursuant to Special Order made earlier this day, this stands adjourned until eleven o'clock tomorrow.

At six o'clock the House adjourned, without question put, pursuant to Special Order.

HOUSE OF COMMONS

Friday, April 23, 1971

The House met at 11 a.m.

ROUTINE PROCEEDINGS

LABOUR, MANPOWER AND IMMIGRATION

Second report of Standing Committee on Labour, Manpower and Immigration—Mr. Pringle (for Mr. Weatherhead).

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

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MINERALS

TABLING OF INFORMATION BULLETIN MR 110, CORPORATE DISCLOSURE REQUIREMENTS PERTAINING TO MINING COMPANIES

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, under Standing Order 41 (2) I should like to table copies of Mineral Information Bulletin MR 110, corporate disclosure requirements as they pertain to mining companies.

* * *

[*Translation*]

EXTERNAL AFFAIRS

1915 ARMENIAN MASSACRE—REQUEST FOR UNANIMOUS CONSENT UNDER S.O. 43

Mr. André Fortin (Lotbinière): Mr. Speaker, under Standing Order 43 I would like to ask for the unanimous consent of the House to discuss a truly urgent and important matter, namely the slaughter of Armenians in 1915.

Canada itself was party to the signature of the Sèvres Treaty, Section 88 of which provided for the return to the Armenian people of the lands they had been despoiled of following a premeditated genocide. The year 1971 marks the 56th anniversary of this Armenian genocide by the Turks in 1915, an event which should bring all Canadians, and particularly the House, to pause for a moment and pay tribute to the 1.5 million Armenians who perished violently during—

Mr. Speaker: Order. The hon. member knows that under Standing Order 43 he must propose a motion to the House and indicate why it is urgent that such motion be considered before other questions on the order paper.

Mr. Fortin: Mr. Speaker, I was getting to the heart of the matter.

Canada is involved and Canadians, who with reason believe themselves to be a peaceful people, should demand that justice be assured to this unfortunate nation whose lands are under foreign domination. The House cannot ignore this fact, especially on this 56th anniversary, to be celebrated tomorrow, April 24.

Mr. Speaker: Does the hon. member wish to present a motion? He has invoked Standing Order 43 and, in accordance with the rules, he must indicate the content of his motion and give a copy of it to the Chair. If the hon. member does not wish to present a motion, we shall have to proceed to another subject.

* * *

[*English*]

PRAIRIE GRAIN ADVANCE PAYMENTS ACT

AMENDMENTS RESPECTING RATE PER BUSHEL, EMERGENCY PAYMENTS, EXTENSION OF APPLICATION TO RYE, FLAXSEED AND RAPESEED

Hon. Otto E. Lang (Minister of Manpower and Immigration) moved for leave to introduce Bill C-239, to amend the Prairie Grain Advance Payments Act.

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

ORAL QUESTION PERIOD

HOUSE OF COMMONS

ASSURANCE THAT MEMBERS OF PARLIAMENT NOT KEPT UNDER SURVEILLANCE BY ELECTRONIC DEVICES

Mr. Erik Nielsen (Yukon): Mr. Speaker, in view of the equivocal nature of the replies of the Solicitor General to questions yesterday concerning electronic surveillance of the telephones of Members of Parliament I should like to ask him whether he has inquired into the question of whether the offices of Members of Parliament and their telephones are being subjected to any kind of electronic surveillance or monitoring?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I imagine, following the questions put yesterday, that you intend to consider the whole matter and I think that it would be unadvisable for me to make further comments.

[*English*]

Mr. Nielsen: That question, with respect to the Solicitor General, was not put to him yesterday, Mr. Speaker. The question today is whether or not he has caused any inquiry to be made into the question of whether or not the offices or telephones of Members of Parliament are subjected to electronic surveillance or monitoring?

I have a further supplementary question, Mr. Speaker, since the minister is shy about answering that one. Can the Solicitor General exercise procedures to ensure that he is informed prior to and after any electronic surveillance or monitoring of the telephones or offices of Members of Parliament?

[*Translation*]

Mr. Goyer: Mr. Speaker, once again I have clearly indicated that there was no general policy. I have the greatest respect for the Speaker of the House and I will be ready to answer similar questions when the Chair has considered the problem raised yesterday by the members of the opposition.

[*English*]

Mr. Nielsen: Mr. Speaker, I have a further supplementary question. The Solicitor General obviously does not appreciate his own responsibilities with respect to the RCMP. The RCMP does carry out this kind of activity, and I am not—

Mr. Speaker: Order, please. The hon. member cannot make a speech; he can ask a supplementary question. He has asked the question originally and he has asked a supplementary question. He now has the floor for the purpose of a further supplementary question, which is quite in order, but it should be a question.

Mr. Nielsen: Obviously the Solicitor General requires explanations before answering questions. Since he is responsible for the RCMP, can he assure the members of this House that he is exercising his responsibilities to ensure that he is informed both before and after any electronic surveillance or monitoring of telephones in the offices of Members of Parliament?

An hon. Member: Answer.

Mr. Speaker: Order, please. The hon. member can ask a further supplementary question, but the hon. member for Joliette also has a supplementary question to ask. For the moment the hon. member for Yukon has the floor.

Mr. Nielsen: I will try once again, Mr. Speaker. Is the Solicitor General prepared to assure the members of this House that the government is prepared to consider the policy that the Speaker of this House be fully apprised of and agreeable to any and all security activities in the parliament buildings by agents of the government?

Mr. Speaker: Order, please. I suggest to the hon. member that at this stage he may be coming a little close to the position of the Speaker. He has asked a few questions. I recognize that there is a problem which is somewhat complicated, and I think the hon. member is right when he asks questions relating to the responsibility of the minister regarding the RCMP. Of course I would not want to get involved in a debate in any way, and this is why I did not intervene at an earlier point in the questions asked by the hon. member.

I recognize that there are two responsibilities, first, in respect of what goes on in this building, which is the responsibility of the Speaker and, second, what may go on in the administration of the federal police, which is the responsibility of the Solicitor General. I would suggest to the hon. member that perhaps the last supplementary question may not be quite in order because he is asking a question which perhaps might be related to the office of the Speaker. I want to assure the hon. member that the questions he has asked yesterday and today have been noted.

Mr. Nielsen: At the risk of being overly insistent, may I point out that I was directing my question to the Solicitor General and confining it to his responsibilities only. May I put it once more so that it may be clarified for Your Honour.

I am asking the Solicitor General whether he is prepared to assure the members of the House that the policy of the government will be to keep Your Honour informed and fully apprised as to any electronic surveillance or monitoring which is carried on by agents of the government, and particularly by those for whom the Solicitor General has specific responsibility, namely, the Royal Canadian Mounted Police?

Mr. Speaker: Again I have to rule that the question is out of order. I must suggest to the hon. member that what he is asking for is in a way hypothetical or theoretical. He is inviting the minister to indicate what the reply would be to inquiries that would be made of him by the Chair, and in this respect the question goes beyond the limitations of a question that may be asked at this time. The hon. member for Joliette.

Mr. Nielsen: On a question of privilege, Mr. Speaker, affecting the privileges of all hon. members of the House, perhaps Your Honour might permit the Acting Prime Minister to assure members of the House that this whole matter will be referred for inquiry to the Standing Committee on Privileges and Elections. I put that question to the Acting Prime Minister.

[*Later:*]

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, I wish to direct a supplementary question to the Solicitor General. Would he explain his use of the word "precedent" last night when he was referring to this matter of electronic bugging? He referred to a precedent. Would he explain that to the House?

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

ALLEGED BUGGING BY ELECTRONIC DEVICE OF RESIDENCE OF ST. JEAN-BAPTISTE SOCIETY OFFICIAL

Mr. Roch La Salle (Joliette): Mr. Speaker, I hope I will get a clear answer. I must make a new attempt and ask a direct question of the Solicitor General. Once again, expecting him to be as precise, I ask him if the RCMP did or did not instal a wiretapping device in the residence of Mr. Cossette and in the affirmative, when will it be asked to remove it?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, as I indicated, those devices are available to all citizens and if the person concerned is able to establish to whom the device belongs, whether it is an individual or an organization, it is up to him to do it.

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

Could the minister assure that the RCMP did not instal any device in that house?

Mr. Goyer: Mr. Speaker, I have also replied to this question by stating merely that it is never in the public interest—and the hon. member should be aware of the practice in this House—to answer affirmatively or negatively to this type of question.

* * *

[*English*]

THE CANADIAN ECONOMY

PURCHASE OF CONTROLLING INTEREST IN HOME OIL BY CONSUMERS GAS—TAX TREATMENT

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the Minister of Energy, Mines and Resources. My question relates to the announcement he made in the House yesterday afternoon concerning the purchase by Consumers Gas of Toronto of a controlling interest in Cygnus Corporation, and hence a controlling interest in Home Oil. In view of the participation of the government in the discussions that led up to this purchase, can the minister say whether the parties were given any assurances by the government concerning tax treatment?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, the parties concerned were given no assurance of any kind, nor did they ask for any assurance of any kind or discuss tax concessions with the government in respect of their transaction.

* * *

OIL

PROPOSED PUGET SOUND-CHICAGO PIPELINE—OIL SHIPMENTS FROM ALASKA—POSSIBLE POLLUTION PROBLEMS—EFFECT ON CANADIAN MARKET

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I wish to direct a question to the Minister of Energy, Mines and Resources. Can he inform the House if the government of Canada is aware that oil companies are considering the construction of a major pipeline from the Seattle-Puget Sound area to Chicago, and has the government knowledge of the volume of oil that will be shipped from Alaska to the Seattle-Puget Sound area?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): In regards to the volume, Mr. Speaker, that depends on the quantum of the find at Prudhoe Bay. To date the companies have kept this information confidential, so we do not know what total volume will be found. We have only estimates that have been made. With regard to a pipeline from Puget Sound to Chicago, I have no knowledge of any specific plan by any company to build such a line.

Mr. Comeau: Has the government carried out any studies on the probability of pollution problems in the Puget Sound area in relation to the various amounts of oil which might be moved to Seattle from Alaska?

Mr. Greene: Mr. Speaker, I do not think there have been any specific studies as to the pollution hazards in the Puget Sound area which I could bring to the attention of the House. As the hon. member knows, general questions of pollution by reason of tanker movement from Alaska are very much in the mind of the government, and I believe discussions at a very high level will take place in Washington shortly as announced by the Prime Minister to the House.

Mr. Comeau: A further supplementary, Mr. Speaker. Has the government carried out any studies on the possible effect on the Canadian oil market of such a pipeline?

Mr. Greene: Mr. Speaker, the National Energy Board has under constant review the possible economic effects on Canada of various modes of oil transportation. I think I have indicated to the House previously that from the standpoint of the cost of moving northern oil from Prudhoe Bay or northern parts of Canada, if found, to the Chicago area, some 30 cents per barrel could be saved by Canadian movement rather than by Alaskan tanker movement.

APPLICATIONS TO ENERGY BOARD TO CONSTRUCT CONNECTING LINES BETWEEN BRITISH COLUMBIA AND STATE OF WASHINGTON

Mr. Thomas S. Barnett (Comox-Alberni): A supplementary question, Mr. Speaker. I should like to ask the minister whether there are any applications before the National Energy Board at this time for construction of any increased capacity for oil or gas pipelines in an intertie between British Columbia and the refinery at Cherry Point in the state of Washington close to the Canadian border?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, I am not aware of any specific applications to the National Energy Board. When the board sits in its capacity to hear applications, it sits in a quasi-judicial capacity, and thus is an independent entity, for that purpose. I shall be glad to make inquiries of the board on the specific question asked by the hon. member and let him know whether any such applications have been made.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—INQUIRY AS TO REFERENCE TO INTERNATIONAL JOINT COMMISSION

Mr. R. Gordon L. Fairweather (Fundy-Royal): Is consideration being given by the government to preparing a

reference to the International Joint Commission on the subject of the TAPS plan?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): Mr. Speaker, to the best of my knowledge no such consideration is under surveillance at the present time. The International Joint Commission, of course, is under the responsibility of the Secretary of State for External Affairs. I cannot tell what action would be planned after the Washington meetings, but at the present time I do not believe there is such an intention.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, when the minister used the word "surveillance" did he mean that he is afraid of being bugged too?

Mr. Speaker: The Chair will recognize a last supplementary on this subject from the hon. member for Hillsborough and will then recognize the hon. member for Saint-Denis.

Mr. Heath Macquarrie (Hillsborough): A supplementary question to the Acting Prime Minister, Mr. Speaker. In light of the statement by the Minister of Public Works that Canada should scarcely criticize the western oil tanker route, can the Acting Prime Minister tell me which of the several and varying ministerial viewpoints the Secretary of State for External Affairs will be reflecting on May 3, when he talks to the Americans?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I am sure the Secretary of State for External Affairs will reflect the viewpoint of the government.

An hon. Member: What is that?

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EXTERNAL AFFAIRS

1915 ARMENIAN MASSACRE—REQUEST THAT DEPARTMENTAL REPRESENTATIVE MEET DELEGATION

Mr. Marcel Prud'homme (Saint-Denis): My question is for the Acting Prime Minister.

[*Translation*]

Tomorrow, April 24, the Armenian community of Canada will commemorate with a great peaceful march on Parliament Hill the slaughter of more than 1,500,000 Armenians. Would the Acting Prime Minister say whether a representative of the Department of External Affairs will greet the delegation?

[*English*]

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I thank the hon. member for giving me notice of this question. As far as I am aware, it is not the intention that any member of the government will meet with this delegation which will be on Parliament Hill tomorrow, though we do recall the tragic events to which this demonstration is related.

[Mr. Fairweather.]

AGRICULTURE

INTERPROVINCIAL MARKETING—FEDERAL INTERVENTION IN PROCEEDINGS BEFORE SUPREME COURT RESPECTING VALIDITY OF PROVINCIAL REGULATIONS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to direct a question to the Minister of Agriculture in connection with the increasing severity of the interprovincial restrictions on agricultural trade and the government's view that they will be disposed of by Bill C-176. Can the minister advise whether it is the intention of the government to instruct counsel to appear at the proceedings now coming before the Supreme Court of Canada, in order to oppose the validity of the provincial regulations which have given rise to this very serious situation?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, I will consider that very interesting suggestion and discuss it with the Minister of Justice.

Mr. Baldwin: In taking it into consideration, will the minister bear in mind that it is the understanding that the case will be before the Supreme Court of Canada very shortly and if the government is going to intervene it should make up its mind to do so at once and instruct counsel accordingly?

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EXTERNAL AFFAIRS

POINT ROBERTS REFERENCE TO INTERNATIONAL JOINT COMMISSION—PROPOSAL OF PARK BY CANADA

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, may I direct a question to the Acting Prime Minister. Having in mind the statement made yesterday by the Minister of Fisheries and Forestry indicating a reference of the status of Point Roberts to the International Joint Commission, may I ask whether, in that connection, it will be Canada's intention to propose the creation of an international park at Point Roberts? This is a question of great interest in British Columbia.

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, to my knowledge no decision has been taken by the government to make such a proposal, but I will be happy to draw the representation of the hon. member to the attention of the minister who can reply in further detail, if necessary.

* * *

UNEMPLOYMENT INSURANCE

QUEBEC REPRESENTATIONS CONCERNING BILL—REQUEST FOR STATEMENT ON PROVINCIAL OBJECTIONS PRIOR TO COMMITTEE CONSIDERATION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I wanted to direct a question to the Minister of Labour but in his absence I shall direct it to his parliamentary secretary. Since we will be dealing with the amendments to the Unemployment Insurance Act in the near future and as it is necessary for the committee to be

apprised and aware of all objections by the provinces, if there are any, can the parliamentary secretary advise the House whether there have been further representations from the province of Quebec regarding any inadequacies or injustices within the present bill?

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, as the hon. member no doubt is aware, a series of important conversations have taken place between the Minister of Labour and the provincial Ministers of Labour this week. I will transmit to the Minister of Labour the concern expressed in the House this morning by the hon. member.

Mr. Alexander: Mr. Speaker, I am pleased to know that the parliamentary secretary will register my concern. Can the parliamentary secretary assure the House that before we deal with this bill in committee in a definitive way the minister will make a statement regarding the objections, submissions and representations made to him about the bill so that the committee will be aware of the specific problems being faced by the provinces? Can he assure the House that a statement will be made on motions before we deal further with this bill?

Mr. Perrault: Mr. Speaker, now that the measure has been given such substantial support by all members of the House—

Mr. Alexander: Could the parliamentary secretary not answer the question?

Mr. Perrault: —we are moving to the committee stage. At that point a full opportunity will be given to cross-examine the minister on these important points which have been raised. It is not the intention of the minister to avoid any possible problems that may arise. Matters are proceeding very well indeed.

Mr. Baldwin: Which way are you moving, forward or backward?

Mr. Alexander: Mr. Speaker, I quite appreciate the parliamentary secretary's answer although I accept it in the spirit in which it was given. I am asking the parliamentary secretary whether, on behalf of the minister, he can assure the House that a statement will be made regarding the positions taken by any provinces which have found objections within the bill. It is a simple question. Will a statement be made on motions before we deal with the bill?

Mr. Speaker: Order, please. Perhaps the parliamentary secretary might reply to the question briefly, but it seems to me that the hon. member has reiterated very forcefully the question that was asked initially.

Mr. Alexander: I have not been given an answer and I want an answer.

Mr. Perrault: Mr. Speaker, I can only say that this measure is proceeding in a spirit of co-operative federalism and it may be expected that such a statement will be made.

[*Translation*]

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to put a supplementary question.

I should like to ask the parliamentary secretary whether—if the government should persist in wanting to implement this act which will cost Quebec some $20 million—the government would intend to adopt compensation measures to allow that province, which already has a deficit in that field, to collect funds through other means?

[*English*]

Mr. Perrault: Mr. Speaker, may I suggest to the hon. member that he attend the meetings of the committee so that he may direct his questions at that time to the minister.

Some hon. Members: Oh, oh.

Mr. Speaker: Order, please. I suggest to hon. members that we are in a way anticipating an order of the day. As the parliamentary secretary has indicated and as hon. members realize, we are dealing with a bill which is still before the House under consideration. The question asked originally by the hon. member for Hamilton West as to whether a statement would be made on motions was quite in order, but I do not think the matter should be pursued.

[*Translation*]

Mr. Valade: Mr. Speaker, I rise on a point of order.

In reply, the parliamentary secretary invited me to attend the meetings of the committee. If the bill were passed, parliament would finally have to commit itself with regard to it and I am trying to avoid that in order for the government to express its views.

Mr. Speaker: The point of order is not founded.

* * *

[*English*]

FLOODS

MANITOBA-NORTH DAKOTA BORDER—ALLEGATIONS OF ACTS OF HOSTILITY BY CANADIANS—DISCUSSION OF PROPOSED DAM

Mr. Jack Murta (Lisgar): I wish to direct a question to the Acting Prime Minister of which I have given him notice. It concerns flooding along the American side of the border in North Dakota and on the Canadian side in Manitoba. Have there been any formal complaints from the United States government based on charges by North Dakotans that, as a certain congressman has stated, there have been acts of hostility on the part of the neighbouring Manitobans north of the forty-ninth parallel?

Hon. Allan J. MacEachen (Acting Prime Minister): Mr. Speaker, I have not been able to study this question as

fully as I would have liked since I received the notice, but I have no information that would support the hon. member's inference.

Mr. Murta: A supplementary question. For some time now there have been discussions about the proposed Pembillier dam that would control flooding and provide irrigation along the Canadian and American sectors of the international border. Is any action now being contemplated by the federal government to reintroduce discussions on this very important matter?

Mr. MacEachen: As I understand the situation, Mr. Speaker, it is under active surveillance and discussions will likely take place.

Some hon. Members: Oh, oh!

* * *

GRAINS

RAPESEED—OBJECTIONS BY OTHER COUNTRIES TO POSSIBLE CLOSING OF FUTURES MARKET AND INCLUSION UNDER WHEAT BOARD

Right Hon. J. G. Diefenbaker (Prince Albert): Mr. Speaker, my question is directed to the minister who reports for the wheat board. It is in connection with rapeseed to which reference has been made during the last couple of days. Is the minister aware of the fact that in Holland, Japan and Germany, where there are large purchasers of rapeseed, strong objections have been taken to closing the futures market? Indeed, the indication is that it would strike a tremendous blow against the expansion of rapeseed production in Canada.

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I am certainly aware of quite a bit of conversation about the rapeseed market and the futures market, probably based, of course, on an earlier erroneous report that there was an immediate move afoot to make a change with regard to the marketing of rapeseed and several other grains. I presume, with the clarification that no such change is being made and that the futures market is in no way interfered with, that any such concern should be allayed.

Mr. Diefenbaker: I have before me a number of cables that I received today expressing fears for our rapeseed markets along the lines I have indicated. Because of the uncertainty of the government's attitude in producing a bill with an amendment permitting the Wheat Board to have control over three types of seed grains, will the minister consider holding up the bill until an opportunity is available to the government and to the House of Commons in committee to hear the representations, because what is included in the bill is a threat that concerns these purchasers?

Mr. Lang: Mr. Speaker, I do not think there is any threat contained in the bill and that has been a cause of concern. There has been concern based on an erroneous report. I think it has been allayed by the assurance I have given that no change will be made without the fullest consultation. Indeed, I am glad to say again that certainly on our part we have no intention of making any change without the very fullest support of the producers and consultations with the trade.

Mr. Diefenbaker: The minister says he has no intention of making any change without consultation. Then why bring in a bill to permit the board to do the thing that he says they are not going to do?

Mr. Lang: This question will no doubt be discussed when the bill is before the House, Mr. Speaker. There are a number of reasons for doing this which I will be glad to explain at that time. Over the years there have been fairly strong representations on this subject from producer organizations. The oilseed marketing committee recommended a plebiscite in order to determine this issue. Further work is being done on the whole aspect of the issue. The issue is very complicated. In my opinion, the existing system is working very well, far better than the producers may understand.

Mr. Diefenbaker: Why ruin it?

Mr. Speaker: Order, please.

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CONSUMER AFFAIRS

INVESTIGATION OF INCREASE IN GASOLINE PRICES IN BRITISH COLUMBIA

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Consumer and Corporate Affairs. Is the minister's department investigating the recent increases in gasoline prices in British Columbia and are these increases justified and generally applicable in all of Canada west of the Ottawa river?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker there have been quite a number of gasoline and fuel oil price increases, most of which, if not all, are being investigated by the Prices and Incomes Commission. I believe the particular price increases referred to by the hon. member are in that category.

Mr. Harding: Are the increases in the west caused by the increase in price of oil east of the Ottawa river? Imported Venezuelan oil has jumped rather sharply. There might be a reason there for an increase in gasoline prices, but does the same apply to the western part of Canada?

Mr. Basford: The purpose of an inquiry is to determine the reason for something. That is why we are having an inquiry.

NATIONAL PARKS

BONNE BAY—PARTICIPATION OF CITIZENS IN PLANNING THROUGH PUBLIC HEARINGS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question is directed to the Minister of Indian Affairs and Northern Development. Is it the intention of the minister to hold public hearings in Newfoundland with interested citizens and authorities to permit them to participate and advise on the progressive planning of the national park at Bonne Bay?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, we have formulated a policy along those lines, and public hearings are being held where can be heard those who wish to make representations concerning the preparation of future parks.

In so far as the new parks are concerned, the problem is naturally a little more complicated since we must take into account the wish of citizens to proceed quickly. It is obvious that consultations like those requested by the hon. member could cause considerable delays. However, we can consider the possibility of having one for Bonne Bay.

[*English*]

[*Later:*]

NOVA SCOTIA—PROVINCIAL REQUEST FOR SURVEY OF SITE FOR THIRD PARK

Mr. Robert C. Coates (Cumberland-Colchester North): I have a supplementary question for the Minister of Indian Affairs and Northern Development. Will the minister indicate to the House whether he has received a request from the government of the province of Nova Scotia to undertake a survey of the area between Joggins and Apple River in Cumberland county as the site for a third national park in Nova Scotia?

Mr. Speaker: Order, please. The Chair will allow the minister to reply to the hon. member's question. In the past I have expressed reservations about questions being asked during the question period regarding the possibility of national parks in the many constituencies across the country. I suggest to hon. members that this kind of question should normally be put on the order paper. All hon. members have an interest in the possibility of national parks in their constituencies. We might spend most of the question period every day asking whether national parks will be established in hon. members' constituencies, including Stormont-Dundas.

Some hon. Members: Hear, hear!

Mr. Speaker: For the moment, the minister will be allowed to reply to the question.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): I am very happy to confirm the fact that the national parks of Canada are very popular indeed. In reply to the question asked by the hon. member, I do not know of any request by the provincial government with regard to a survey. We are having discussions with the Nova Scotia government with regard to establishing a third national park in that province, but I cannot state the nature of those conversations at this time.

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PENITENTIARIES

KINGSTON—REPRESENTATIONS FROM PUBLIC SERVICE ALLIANCE RESPECTING GRANT TO GUARDS HELD HOSTAGE DURING RIOT

Mr. Steven E. Paproski (Edmonton Centre): My question is for the Solicitor General. Has the minister received a letter from Paul Gascon, secretary-treasurer of the Public Service Alliance of Canada, Solicitor General component, asking the government to grant $5,000 compensation to each of the officers who were held hostage last week at Kingston penitentiary? If so, what does the minister plan to do about it?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Not to my knowledge, Mr. Speaker.

* * *

[*English*]

GRAIN

WHEAT—AVAILABILITY OF TRANSITIONAL PAYMENTS TO FARMERS PRIOR TO PASSAGE OF STABILIZATION LEGISLATION

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): I have a question for the minister responsible for the Canadian Wheat Board. Having regard to the serious cash shortage in the western agricultural economy at the present time, will the government give immediate consideration to and implementation of suggestions that the contemplated $100 million acreage payment be made available to western farmers prior to the passing of the government's agricultural stabilization legislation?

Hon. Otto E. Lang (Minister of Manpower and Immigration): We shall require legislative approval for the payment of the $100 million. I hope this may be given fairly soon in order that the money may get into the farmers' hands as early as possible.

RAPESEED—PRODUCERS' VOTE ON METHOD OF MARKETING

Mr. Jack Murta (Lisgar): Mr. Speaker, I should like to refer to the question which was posed by my right hon. friend from Prince Albert and ask the minister responsible for the Wheat Board whether he can assure the House that a producer vote will be taken with respect to the inclusion of rapeseed under the Canadian Wheat Board and that action will not be taken merely on the basis of requests from large grain companies and farm organizations?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I should like to assure hon. members that when I spoke of full producer support I was talking about the

broad category of individual producers, not of any specific way of determining their consent. The question of a specific vote is a very complicated one; it involves, somehow, trying to identify the group concerned and the voting system, and I would not wish to commit myself to the support of a particular technique at this stage.

* * *

[*Translation*]

PENITENTIARIES

KINGSTON—ESTABLISHMENT OF COMMISSION OF INQUIRY INTO RIOT

Mr. Jacques-L. Trudel (Montréal-Bourassa): Mr. Speaker, I have a question for the Solicitor General.

Could he say whether he intends to appoint a board of inquiry into the recent disorders at Kingston penitentiary or if such a board has already been set up?

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am in a position to announce that the Commissioner of Penitentiaries has created a board of inquiry on the events which took place at Kingston penitentiary on April 14 to 18. Mr. J. William Swackhamer, Q.C., a lawyer from Toronto, has been appointed chairman of this board. Other members are Mr. W. T. McGrath, executive director of the Canadian Criminology and Corrections Association, and Mr. H. E. Popp, director of security, Canadian Penitentiary Service. Mr. Ian G. Scott, a Toronto barrister, will act as secretary and adviser.

I asked that the Board report to me at the earliest possible moment.

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

Will this Board consider the matter which was raised a short while ago with respect to the possibility of granting some sort of compensation to the guards who were kept as hostages?

Mr. Goyer: Mr. Speaker, the Board will have to stick to its terms of reference and I doubt that these will allow the Board to consider this matter.

* * *

NATIONAL PARKS

RECREATIONAL INTEREST OF UNITED STATES CITIZENS IN NORTHWESTERN QUEBEC AND NORTHERN ONTARIO

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Minister of Indian Affairs and Northern Development responsible for parks and recreational places.

For some time, now, American citizens have taken a tremendous interest in the abandoned lands of northwestern Quebec and northern Ontario, and especially in recreational areas. I would like to ask the minister if he has been in touch with provincial authorities and some citizens who have expressed concern over this invasion by American interests.

[Mr. Lang.]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I thank the hon. member for raising this problem. I have not had any discussion concerning northern Ontario and northwestern Quebec with the authorities involved, but I shall look into the matter and see what can be done about it. This is a problem which is to be found practically everywhere, especially as regards Atlantic and Pacific beaches, and we are trying to do our best so that this land should remain in Canadian hands.

* * *

[*English*]

CANADIAN PACIFIC RAILWAY

REQUEST BY HIGH SCHOOL CLASS FOR EXPLANATION OF FEDERAL GRANT IN LIGHT OF NET INCOME

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of Transport. It comes from a senior high school class at Killarney High School in my riding. These pupils have been studying the 1970 report of the Canadian Pacific Railway and they note that the company received a grant of $33.1 million as a normal payment from the federal government. They also note that the net income—

Mr. Speaker: Order please. The hon. member should ask her question. Up to this point I greatly suspect that it may not be a question which should be asked now. In any event, the hon. member should ask her question soon.

Mrs. MacInnis: I am coming right to it, Mr. Speaker. They note that the net income for 1970 was $55,772,000. They want to know—I do not know the answer and that is why I am putting the question now—whether the minister would explain the reason for such a grant to a company with so favourable an earnings statement?

Mr. Speaker: Order. The hon. member will appreciate, I am sure, that such a question is not in order. It is an interesting one, but normally it should be placed on the order paper.

* * *

POST OFFICE

ALLEGED CONFUSION CAUSED BY NEW POSTAL ZONING POLICY

Hon. W. G. Dinsdale (Brandon-Souris): My question is for the minister responsible for the Post Office and it arises from a growing number of complaints about the confusion created by the new postal zoning policy because of the odd mixture of numerals and letters. Has the hon. gentleman any advice to offer whereby this difficulty can be resolved?

[*Translation*]

Hon. Jean-Pierre Côté (Minister without Portfolio): I do not think that there is such confusion with the new postal code system, which is not a zoning system. If there are special cases, I should like to study them and see whether changes should be made. Up to now, it seems to me that everything is running smoothly.

[*Later:*]
[*English*]

Mr. S. Perry Ryan (Spadina): I have a supplementary question for the minister responsible for the Post Office. Was it absolutely necessary to compose the individual postal codes from a mixture of letters and numerals when it is commonly known that straight numerals are easier to remember?

An hon. Member: Oh, I don't know about that.

Mr. Speaker: Order. This question is clearly debate or argument. I suggest to the hon. member that the question is not in order.

* * *

AGRICULTURE

USE OF IMPORTS AS PRICE REGULATOR GOVERNING DOMESTIC PRODUCTION

Mr. P. V. Noble (Grey-Simcoe): I should like to direct this question to the Minister of Agriculture. Will the minister give the House the assurance that the government will not use the importation of agricultural products as a price regulator governing future domestic production?

Hon. H. A. Olson (Minister of Agriculture): The implications of that question are far wider than can be covered in a reply during the question period, Mr. Speaker. I would need further definition of what the connotation of some of the words used might be.

ONTARIO—DUMPING AND FREE DISTRIBUTION OF PRODUCE—REVIEW OF POLICY OR USE OF MARKETING BILL TO CORRECT SITUATION

Mr. H. W. Danforth (Kent-Essex): I should like to direct my question to the Minister of Agriculture. Since Ontario farmers are in some cases dumping their produce and in other cases distributing their produce free in order to direct public attention to the lack of adequate returns to food producers, may I ask whether the government is reviewing its basic agriculture policy or whether it intends to continue to rely on Bill C-176 as the main instrument to correct this hardship?

Hon. H. A. Olson (Minister of Agriculture): I am not sure there is any relationship between Bill C-176 and some of the practices referred to. I might say I do not believe this dumping or free distribution is going on in a significant way. There are some local quota problems, and we certainly want to look into them.

Mr. Speaker, I wonder if I might have another 30 seconds in which to correct an answer I gave yesterday?

Mr. Speaker: It could be done only with the unanimous consent of the House because the question period has expired. I suggest that the matter raised by the hon. member for Kent-Essex might be continued next week, but the minister needs the unanimous consent of the House to make a correction at this time.

Mr. Baldwin: Do it tomorrow.

Mr. Speaker: There is not consent. Orders of the day.

• (11:50 a.m.)

GOVERNMENT ORDERS

YUKON MINERALS ACT

ADMINISTRATION, ACQUISITION AND RECORDING OF CLAIMS, ETC.

The House resumed, from Thursday, April 22, consideration of the motion of Mr. Chrétien that Bill C-187, respecting minerals in the Yukon Territory, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Hon. W. G. Dinsdale (Brandon-Souris): Mr. Speaker, this debate has been proceeding now over the past several months and in order to refresh my memory I have been reviewing the *Hansard* report of the debate. Before commenting directly on some of the statements made by the Minister of Indian Affairs and Northern Development (Mr. Chrétien), I should like to point out that actually this discussion has been going on for much longer than the past several months. This is a subject that has been debated for a number of decades. For example, I can recall in the mid 1950's the then member for the Yukon, supporting the Liberal government of the day, was taking strong exception to the principle of the bill that is once more, in substance, before this House. He was speaking on behalf of the people he represented in the Yukon Territory. I refer to Mr. Aubrey Simmons, who so effectively dealt with the matter at that time that the bill was set aside. Now, once again it is reappearing today in much the same terms as the bill that was discussed during those controversial days in the mid 1950's.

As a former minister of the department—

Mr. Speaker: Order, please. The hon. member has been looking pleadingly in the direction of the Chair for the last few minutes. I think the time has finally come to bring to the attention of the members of the House that the hon. member for Brandon-Souris (Mr. Dinsdale) has the floor and is attempting to make a very interesting speech. Those who are interested in following his remarks, as they are anxious to do, are having some difficulty.

Mr. Dinsdale: Thank you, Mr. Speaker. The grand exodus that follows the question period when Orders of the Day are called always creates a momentary disturbance. However, I feel the matter before the House is so important that I should put my introductory statement before the House, because it should be noted that this is not a piece of legislation that has suddenly emerged but rather one that has been under discussion for many years. It appeared once before and was strongly opposed, as I have said, by the then member for Yukon.

As I was saying when Your Honour so kindly intervened in order to assure the attention of the members of the House, this matter was under discussion when I had the privilege of having ministerial responsibility. The reason no action was taken at that time is precisely the reason that was put forward by the former member for Yukon and put forward once again by the present member for

Yukon (Mr. Nielsen) in very forceful and comprehensive terms. The Yukon is one of the old established areas of Canada, established even before the provinces of Saskatchewan and Alberta which came into Confederation in 1905. I think the minister is well aware, as a result of his many visits to the north, that because of the long traditions that exit in the Yukon and the growing desire for autonomy, before any initiative is taken in this matter that is going to be helpful it will be necessary to have extensive consultations with the responsible people in the north, including the Territorial Council. During the course of my remarks this morning I want to indicate, by quoting statements from residents of the territory including members of the Territorial Council, that this is still precisely the case.

In reviewing the introductory statements of the minister, let me say he has done a very excellent public relations job. The present administration is very long on PR and sometimes short on actual involvement. We have the phrase "participatory democracy" that has been one of the shibboleths of the present government. But if we are to have participatory democracy we really must get down to the grass roots and consult with the people most concerned. It has been said that there are politicians who are born great, have greatness thrust upon them, and achieve greatness; but in this modern age of PR many of the politicians achieve their position as a result of hiring capable press agents.

In the minister's statement to this House, he used the phrase that Bill C-187 is "the updating and modernizing of the Yukon Quartz Mining Act of 1924". He suggested that the changes were going to be minor, such as using a mound of stone rather than wooden staking posts, for example. That is quite logical because wood is scarce and stones are plentiful in the Yukon. Then, there is going to be the use of metallic tags and an increase in the number of claims allowed from 16 to 36. This is what is known as the "soft sell". The minister also makes the point that financial return to the Crown will be more generous than under the existing Yukon Quartz Mining Act.

I want to raise a point that appears at page 4000 of *Hansard* for March 5, a point that is a vital aspect of this debate and the real point of controversy. The minister is reported as saying:

> The bill not only provides for more efficient local management but also for some new measures to stimulate the mining industry which is already flourishing in the Yukon.

I am going to make that the text for my remarks this morning because that one sentence brings into focus the main area of controversy. Instead of providing for local management, the bill is placing more and more power in the hands of the bureaucracy. The new act provides for sweeping powers to be given to officials and the minister, and it is for this reason that there has been some strong protest from the Yukon Territory. The minister also talked about stimulating the mining industry, and then immediately used the contradictory phrase "which is already flourishing in the Yukon". If the mining industry is flourishing in the Yukon, why do we have to go through the exercise that has been initiated by the introduction of Bill C-187? The question of local autonomy or, to use the minister's phrase, "efficient local management", is the essence of the problem at the present time.

• (12 noon)

In the last two decades since the establishment of the Department of Northern Affairs in 1953, there has been a growing sentiment in favour of more local autonomy. A promise was made that by Canada's centennial year, 1967, a giant step would be taken toward local autonomy. That giant step was not taken, with the result that there have been increasing protests from the residents of the Yukon Territory. These protests initiated a report by Mr. Carrothers which went into the difficulties in some detail. The report has been made available to members of the House. I want to deal briefly, however, with a more recent confrontation on this problem which occurred when members of the Joint Parliamentary Committee on the Constitution of Canada were in the Yukon Territory last September. There, the Yukon Chamber of Mines appeared before the committee, represented by Mr. Dave Robertson. In this regard I should like to quote from the Whitehorse *Star* of September 17, 1970:

> What was described by one M.P. on the Senate Joint Committee as a "thorough and thoughtful brief" was presented Tuesday night at their first Whitehorse hearing, by Dave Robertson on behalf of the Yukon Chamber of Mines.
>
> During the first day of their Yukon visit, members of the committee had travelled to Dawson City and heard a number of speakers there, before flying back for an evening session in the Elks Hall here.

That refers to Whitehorse.

> The Chamber of Mines' brief sparked a two-hour discussion in which almost every Senator and Member of Parliament took part.

The essence of the brief was that members of the Yukon Chamber on Mines, as represented by Mr. Robertson, felt they had not been consulted fully concerning the bill which is before us at the present moment. Their protest was in the same terms as that presented by Mr. Simmons back in the 1950's and again by the present member for the Yukon at this time. Let me read further with regard to that brief:

> The Chamber of Mines brief, designed to be applicable to the development of all the Yukon's resources, summed up its recommendations in the following words:
>
> "The initial establishment of the administration of all regulations governing the resource industries to be located where direct contact with those persons developing the resources can be maintained, as in the provinces. The transfer of control of the resources, flexible and subject to other considerations.
>
> "Local involvement in legislation affecting the Territory and the development of its resources, by requiring the local government (the Territorial Council) to become involved in the legislative process affecting matters which would be the concern only of the Territorial Council of the Yukon had status equal to the provinces. This is no more than a right already enjoyed by 21 million Canadians.

That places the point clearly in focus in respect of the man who was representing the resource development industry in the Yukon Territoritory. If I may be a little more specific, one of the councillors elected in the latest elections in the Yukon last summer, Mr. Norman Cham-

berlist, also appeared before the committee and spoke in the following terms:

> Norman Chamberlist told the Committee they were sitting in an area "where 70 years of frustration and the worst type of colonial status" had existed. "Even in the crown colony of Hong Kong they have the power to administer their own affairs" he said.

And then in a further paragraph in the report in the Whitehorse *Star*, we find this:

> The councillor, recently re-elected for Whitehorse East, said the changes which appear to have been made in council set-up are really not improvements at all. Putting two elected members on the executive committee doesn't go far enough and is "just the icing on the cake" he said. He charged that the Minister of Indian Affairs and Northern Development was building "a government within a government" to control more than 50 per cent of the land area of Canada.

Mr. Chrétien: Mr. Speaker, I rise on a point of order. I think the point the hon. member is making is very interesting, but he is making it at the wrong time. Last fall we had legislation concerning the administration of the Yukon and the changes were discussed and debated in the House. They were approved by the House. Now, we are discussing a mineral bill which really does not concern the administration of the Yukon Territory. I believe the hon. member should confine his remarks to the bill itself, because we wish to have his enlightened views in respect of this bill and not in respect of the bill that was passed last year.

Mr. Nielsen: Mr. Speaker, on the point of order raised by the minister, may I say I think perhaps he has overlooked the fact that the changes in the Yukon Act which passed trough the House recently had to do with the transfer of certain areas of jurisdiction to the territorial administration. Unlike most areas in Canada, the Yukon has a two-headed, jurisdictional monster, one head of which is the responsibility of the federal government in respect of the bill under discussion and another head in respect of which the jurisdictional responsibility has been transferred to the territorial administration to which the minister is referring. Therefore, I believe the hon. member who has the floor is perfectly in order in referring to these federal aspects of the administation of the Yukon Territory.

Mr. Speaker: The point raised by the minister is one of interest. The argument by the hon. member for Yukon (Mr. Nielsen) appears to be reasonable, but it is difficult for the Chair, without looking into all the details of the act much more closely, to determine whether the hon. member who now has the floor is going beyond the limit of the bill itself. That hon. member, who is one of the senior members of the House, knows the rules much better than the Speaker, and he realizes that he must limit his contribution in the debate to what is before the House, which is the second reading of the bill. I might add that he knows much better than the Speaker what is in the bill, and I am sure he would not want to take advantage of the situation to discuss at this time matters which do not fall within the scope of the bill which is now under consideration.

Mr. Dinsdale: Thank you very much, Mr. Speaker, for those enlightening words. Perhaps because of all the noise which prevailed when the debate began today, the minister did not catch my point. I am emphasizing the fundamental problem that arises in connection with legislating for the Yukon Territory. The minister makes the point that it is the responsibility of the federal government. This is the reason we have such a strong protest from the people of the Yukon. They want to have move of this responsibility in their hands. I was quoting from responsible leaders of the Yukon who underlined this point. Now, I should like to quote from the minister himself. I refer to a press release of February 27, 1971 from his department. The following appears on page two of that release:

> Regarding the Yukon Minerals Act, Mr. Chrétien said that recent discussions in Whitehorse by officials of his department and representatives of the mining industry and the Yukon Legislative Council had resulted in a very meaningful exchange of ideas.

The phrase "a meaningful exchange of ideas" means that there was a good deal of heated controversy. In the world of semantics, that is the interpretation which one can always make at. The press release continues:

> He also said that he had been persuaded that further consideration should be given to some modification of the deductions allowable for royalty purposes. "While I know the reasons for concern about the Canadian participation provisions," the Minister said, "I feel that activity in oil and gas exploration in the North and in mining in the Northwest Territories, where similar provisions apply, indicates that the concerns are over emphasized."

• (12:10 p.m.)

Obviously, there is real static arising from the territory. I know, as a former minister, that this is the case when Ottawa arbitrarily intrudes into areas of responsibilities that should, at this late date, devolve upon the local people. The minister referred to "efficient local management". That is the first point I want to make, the necessity of consultation. The minister, I am sure, is aware of that point.

I should now like to deal briefly with another major issue, that is the application of the Canadian mining regulations to the Yukon territory. These were introduced to the Northwest Territories in 1961 and provide, as hon. members know, for Canadian participation in companies incorporated in Canada, and the listing of shares on the Canadian stock exchange at the production stage of resource development. There is no application of these regulations at the exploration or the lease stage of resource location and exploration.

The reason that these regulations were not applied to the Yukon territory in 1961 is precisely that there was no local agreement from the Yukon chamber of mines nor from the Yukon Territorial Council for the very good reason that they had an established industry. They had these traditions and they had a record of efficient management of resources over half a century. The minister himself acknowledged this when he used the phrase "the mining industry which is already flourishing in the Yukon". If it is already flourishing, why aggravate the situation, as the proposed new bill does? It is true that

there has been an upsurge in the Northwest Territories since 1961, but this is more related to developments such as the Pine Point railway, which was to open the Pine Point mining operation, a project which was opposed by the Liberal opposition of the day. The upsurge has nothing to do with the Canadian mining regulations. The opening of the Pine Point mine was directly connected with the construction of the Pine Point railway by the former Conservative government.

The same applies to the exploration activity in the high Arctic with respect to oil. This is directly related to the well that was drilled on Melville Island in 1961, promoted by Dome Petroleum and a consortium of minor Canadian oil companies which took this tremendous risk of going into the high Arctic in the winter of 1961-62 and drilling an exploratory well. It is called a wildcat well because, I suppose, it was really a wildcat operation which paved the way for the present interest which is going forward under the auspices of Panarctic. Panarctic is a consortium of government and private companies, much on the same basis as the initial operation in 1961.

I should like to revert to what this will mean in terms of development in the Yukon. The same principle applies in the Yukon as in the Northwest Territories. During the 1960's there has been an upsurge of production from $13 million to $80 million. This is largely based on the development of the asbestos mine at Clinton Creek, the New Imperial mine on the outskirts of Whitehorse, and on the Anvil mine which came into production just over a year ago. But again, these operations are related more to the development programs that were carried out in the latter 50's and 60's than to any change in the legislation. There was no change in the legislation. The New Imperial mine was made possible by capital investment from Japan, and the Anvil mine is a consortium of Canadian, Japanese, German and British interests. All these projects were made possible by the Roads to Resources program that took place in the latter 50's and 60's. In other words, progress has been based on infrastructure rather than legislative manipulation.

I notice that the minister made an announcement recently that the Dempster highway is proceeding to connect the Yukon territory to the Mackenzie delta. The Mackenzie highway was under way in the early 1960's and was stopped by the Liberal government when it came to power in 1963. Instead of a new development, it is the resurrection of an aborted development that was under way and should now be completed. It is being revised now because the growing mining activity in the Yukon and right through to the Mackenzie delta has made it absolutely necessary to proceed with this project. A railroad will have to be developed also if we are going to bring in the rich iron ore deposits that were located by the Crest Explorations people on the Arctic circle. There are special development problems in the north. These areas are remote from markets; there are special transportation problems, so the costs are 25 per cent to 30 per cent higher. All these matters have to be taken into consideration. We have to listen to the voice of the local people if we are really going to deal with these problems by legislative action.

There is one other matter that I should like to bring into focus, and which I consider to be fundamental. The minister says that he wants efficient local management. This involves giving some consideration to the aboriginal rights of the native people of the Yukon. The minister, because of his failure to consult with Indians and with Eskimos, the aboriginal people of this country, has run into difficulty. He has also encountered difficulty in the national parks because he has failed to consult the local people concerned. I would refer him to the present controversy that is going on in Riding Mountain where the government has decided to close down a roller-rink which has provided positive recreational activities for many years. At a time when the government is providing $15 million for the Opportunities for Youth program, it phases out this program. The department is also phasing out church camps at a time when we need to expand summer opportunities for youth rather than to contract them.

The same problem has arisen with our aboriginal people because of failure to consult. The minister recently made a speech in this connection, as reported in the *Globe and Mail* of March 24, 1971, as follows:

"The government does not intend to force progress along the directions set out in the policy proposals of June 1969. The future direction will be that which emerges in meetings between the government and Indian representatives and people,"—

This is good, commonsense even though it comes belatedly. The article goes on:

—he said in a lecture sponsored by the Dunning Trust Lectures Committee.

Later in the speech, he referred to the "now defunct policy proposals."

In other words, he has backed down completely on the famous or the infamous Indian white paper in 1969. The response to this white paper was the publication of the Red Paper by the Indian people of Canada. This is something that must be taken into consideration when dealing with this bill. For this reason, I would like to move an amendment:

• (12:20 p.m.)

That all the words after "That" be struck out and the following substituted therefor:

"this Bill be not now read a second time but that it be resolved that in the opinion of this House the terms and conditions agreed to by resolution of this House and recorded in the Journals for 1867 that, upon transfer of the Territory to Canada and upon grant to Parliament of authority to legislate for the welfare and good government of the Territory, the claims of the Indian tribes in the Territory to compensation for lands required for purposes of settlement 'will be considered and settled in conformity with the equitable principles which uniformly governed the British Crown in its dealings with the aborigines' be implemented as a prior condition to the enactment of any further legislation concerning the sale of mineral rights in the lands of the Yukon Territory."

I move this amendment at this time, Mr. Speaker, because in the same article the minister was reported as follows:

Mr. Chrétien said flatly that the government will not renegotiate any treaties. It would become, he said, a never-ending process.

"What will be the situation in 100 years where the Indians of the day will say that the people who dealt with Chrétien were crazy to make that kind of deal? We are smarter than that," he said.

"That will never finish. So we say we will respect the treaties and uphold the treaty rights so they can share in the advantages and responsibilities of the Canadian society."

The matter goes further in the Yukon because the aboriginal peoples there do not have treaty rights, and if justice is to be done under the terms of the 1867 resolution this will mean that the present government will have to negotiate in terms of the amendment I have put before the House.

Mr. Speaker: Before putting the amendment to the House I have to bring to the attention of hon. members that the Chair has some doubts as to the procedural validity of the motion as put by the hon. member. Briefly, and perhaps this will help hon. members who may want to advise the Chair, it seems to me that this amendment is, in effect, a substantive motion. It is not a reasoned amendment because it does not oppose the principle of the bill. Further, the amendment attaches a condition to the motion for second reading. The amendment clearly states that it attaches a condition, and there are many precedents which say that such an amendment cannot be moved on second reading.

I thought it might be helpful to hon. members, who may wish to argue in support of or in opposition to the regularity of the amendment, if I were to indicate my reservations. Of course, I would be grateful to hon. members who wish to indicate how the Chair might be guided in making a decision, or making a ruling on the acceptability of the proposed amendment.

Mr. Chrétien: Mr. Speaker, I do not want to take up the time of the House but I do wish to make exactly the same point as Your Honour has made. Really, this amendment is not related to the bill at all. It relates to a different problem, a problem of a different nature. The bill that we have before the House is a measure dealing with the administration of minerals in the Yukon, and ways and means of making sure that this mineral development will be achieved for the benefit of all. The amendment is related to a completely different problem. I recognize that it is a problem, but this is not the time to raise that problem. In terms of the specifics of the rules this is the only point I wish to make, but I think some other hon. members on the government side wish to raise other arguments in terms of the procedural aspect of the question.

Mr. Jerome: Mr. Speaker, I will be very brief but I would submit that the proposed amendment offends the rule governing relevancy, as the minister has just suggested. In the second place, it does in fact clearly establish a condition precedent to the enactment, not only of this legislation but of any other contemplated legislation dealing with this question. This type of condition precedent is doubly repugnant. In the first place, it is repugnant because it is a condition precedent. In the second place, it is repugnant because it is not only a condition precedent to this measure but to any measure dealing with the sale of mineral rights in the lands of the Yukon Territory. There is precedent to indicate that amendments which propose to interfere not only with the passage of the contemplated legislation but with other legislation as well are repugnant.

I would submit that this amendment seems to raise an entirely new question outside the terms of this legislation altogether. But what troubles me the most about it, Mr. Speaker, is that it not only is a condition precedent to the passage of the legislation, but I wonder when Your Honour will be able to decide that such a condition had been fulfilled. The condition, in the terms of the amendment, says that prior to proceeding with this legislation, or the passage of any other legislation dealing with mineral rights in the lands of the Yukon Territory, a resolution enshrined in the *Journals* of 1867, dealing with fair treatment of Indians and their claims, must be implemented.

The question is, Mr. Speaker, when do we determine that a resolution, such as that referred to in the amendment, which stands on the books of this House and stipulates that we must have fair dealings with the Indian tribes in the territory, has been implemented? When do we arrive at the point when we say that this House has implemented such a resolution which calls upon us to be fair in our dealings with Indians and to compensate them for lands acquired in the Yukon Territory?

I submit that this amendment does not appear to be opposed to the principle of the bill, but rather refers to in general to fair dealing. Since it is not opposed to the principle of the bill, it should be ruled out of order. I submit that it is not relevant to the provisions of the bill and should be ruled out of order. I submit it raises a new condition, Mr. Speaker, and in imposing a condition precedent, not only to the passage of this legislation but to the passage of any other legislation dealing with this question, it should be ruled out of order. Furthermore, the condition precedent is impossible of fulfilment. For these reasons, I submit that Your Honour should rule the amendment out of order.

Mr. Barnett: The parliamentary secretary has placed before Your Honour two questions, one dealing with a matter of fact and the other dealing with a matter of the relevancy of the amendment to the bill.

I would submit with regard to the matter of fact that the question of whether or not the terms of an earlier resolution of the House have, or have not, been implemented would rest within the judgment of the House rather than being considered a procedural matter for Your Honour to decide. I feel that this is the obvious answer to that particular question which was raised by the parliamentary secretary, and I would submit that particular question is therefore irrelevant to the discussion of whether or not the amendment is in order.

I should like now to consider the question of whether or not the amendment is relevant to the bill. In view of a remark Your Honour made earlier to the hon. member for Brandon-Souris (Mr. Dinsdale) that perhaps he might have more acquaintance with the details of the bill than

Your Honour had an opportunity of acquiring, might I point out that Part II of the bill deals with the acquisition and recording of mineral claims in the lands of the Yukon Territory. In that Part, there are specific proposals that certain lands may or may not be acquired for this purpose. It seems to me, Mr. Speaker, that if the question of relevancy is being raised, the principle of the amendment is on all fours with the basic principle of the bill. The bill deals with the acquisition and recording of claims or, to put it in reverse language, with the sale of mineral rights in the Yukon. It is quite within the ambit of the discussion of the basic principle of this bill for this House to have an opportunity of declaring itself on whether the terms and conditions with respect to the acquisition of these claims should be determined in light of the previous action of this House which is mentioned in the amendment.

• (12:30 p.m.)

I would therefore submit that, in substance, the amendment is on all fours and lies within the ambit of the basic principle of the bill.

Mr. Baldwin: I just arrived in time to hear the golden words of wisdom falling from Your Honour—

Mr. Greene: That will do you no good.

Mr. Baldwin: The Minister of Energy, Mines and Resources has obviously been attempting to use the same steps without any success.

As I heard Your Honour, you indicated the doubts you have and indicated what should be the practice with regard to amendments of this type. In response to the hon. parliamentary secretary, I would say that as usual the government approached this with a simple childlike faith that all things must be in order and in strict accordance with what has been done in the past so far as the form of amendments is concerned. If there is any deviation at all—and I use the word in its very best sense, Mr. Speaker—ministers, parliamentary secretaries and others are shocked and horrified. They say that it cannot be done because, although the principle and the idea is the same, a form of wording is used which they do not understand.

As I understand the practice it is very simple. No amendment can be moved, the objective of which could be achieved in the same way by voting against the measure. That leaves it to the ingenuity of those who see some value in the motion being considered by this House, but whose appreciation of that value is diminished by the fact that there should be some other principle expressed by the House. This principle need not necessarily be repugnant to the measure which the House is considering but should at least be at variance with it. Hon. members are then saying, "While we would like to vote for the passage of this bill, and while we do not want to vote against it, we would ask the House to adopt a principle which is somewhat different and which involves an acceptance of a fact which would otherwise be neglected by the passage of the original motion to adopt the bill for second reading."

[Mr. Barnett.]

I think this is the effect of the amendment moved by the hon. member for Brandon-Souris (Mr. Dinsdale). He is saying, "We do not want the bill read a second time," but suggests this House resolves that it accepts a principle which the House a great many years ago had apparently adopted. With the adoption of that principle by the House, then we are inclined to say that the bill may have second reading. However, without the adoption of the measure contained in the amendment moved by the hon. member for Brandon-Souris, we are not so inclined.

At this time hon. members find themselves in a quandary. Do we vote against second reading of the bill or do we vote for it? We say we suspend our decision on that until the House has dealt with this amendment which contains a principle not contrary to but at variance with the original bill which the House is considering.

Mr. Nielsen: Mr. Speaker, the effect of the amendment moved by the hon. member for Brandon-Souris (Mr. Dinsdale) is to propose that Bill C-187 be not now read a second time but that the House proceed to resolve that the claims of the Indian tribes in the Yukon Territory "be considered and settled in conformity", and so on, as the resolution reads.

In my submission, Mr. Speaker, this practice follows the authority of May's Seventeenth Edition, pages 526 and 527 under the heading "Reasoned Amendment" at the foot of page 526, and I quote:

> It is also competent for a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move what is known as a "reasoned amendment." This amendment is to leave out all the words in the main question after the word "that" and to add other words; and the question proposed upon the amendment is, that the words proposed to be left out stand part of the question.

Under the first subparagraph of that citation, Mr. Speaker, appear these words:

> It may be declatory—

That is the amendment.

> —of some principle adverse to, or differing from, the principles, policy or provisions of the bill.

In my submission that effectively disposes of the submission of the parliamentary secretary that such an amendment cannot be adverse to the principle of the bill, even if the hon. member for Peace River (Mr. Baldwin) was right in restricting the effect of the amendment to the expression of a variance with the principle of the bill. May goes on further and stipulates that such an amendment may be declaratory of some principle adverse to or differing from the principle of the bill.

The same conclusion is reached if one refers to Beauchesne's Fourth Edition, page 168, paragraph 201, which reads:

> The object of an amendment may be to effect such an alteration in a question as will obtain the support of those who, without such alteration, must either vote against it or abstain from voting thereon, or to present to the House an alternative proposition either wholly or partially opposed to the original question. This may be effected by moving to omit all the words of the question after the first word, "That", and to substitute in their place other words of a different import.

I draw Your Honour's attention to the closing words of that sentence, "and to substitute in their place other words of a different import".

I should like also to draw Your Honour's attention to a publication which was put together by one of the respected officers of this House, Dr. Ollivier. It is entitled "British North America Acts and Selected Statutes, 1867-1962" At page 92 of that publication is set forth a section of the British North America Act which I shall read:

109. All lands, mines, minerals, and royalties belonging to the several provinces of Canada, Nova Scotia, and New Brunswick at the union, and all sums then due or payable for such lands, mines, minerals, or royalties, shall belong to the several provinces of Ontario, Quebec, Nova Scotia, and New Brunswick in which the same are situate or arise—

And here are the words which I wish to draw to your attention:

—subject to any trusts existing in respect thereof, and to any interest other than that of the province in the same.

It is my submission, Your Honour, that the legislation with which this bill purports to deal is subject to a trust which is recorded in the *Journals* of this House of 1867. Therefore, the amendment properly deals with a reference to our *Journals* and purports by its wording to have the Parliament of Canada proceed, subject to the trusts by which it is bound, as recorded in its own *Journals*. I therefore submit, Mr. Speaker, that I have dealt effectively with both points raised by the parliamentary secretary with the authorities that I have cited and I urge Your Honour to accept the amendment.

• (12:40 p.m.)

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, with apologies to my friend, George Bain, perhaps I might say a few words on this point of order. I think it must be accepted that reasoned amendments always create difficulties for those who draft them, for those who speak to their procedural validity, and for the Chair. I might also say that I have frequently been surprised both ways. Sometimes reasoned amendments that I thought were clearly out of order have been accepted; and, on occasion, the reverse has happened.

Your Honour has indicated that you have some doubts about this. I think, therefore, that that gives us the right to try to resolve those doubts and to suggest that this can be done. One of the arguments that has been advanced—indeed, Your Honour suggested it from the Chair—is that this amendment in its very language lays down a prior condition and, therefore, that it should be ruled out of order. I know that that has been a reason in the past for ruling out of order some reasoned amendments; yet I suggest that it is hard to get around Citation 382 in Beauchesne's Fourth Edition, which is a condensation of the citation that the hon. member for Yukon (Mr. Nielsen) just read from May's Seventeenth Edition. Precisely because it is a condensation I might, perhaps, be permitted to read it:

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a Bill, to move as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill, or expressing opinions as to any circumstances connected with its introduction, or prosecution; or otherwise opposed to its progress;—

I will stop there. There are two more lines but they are completely irrelevant to the point before us.

It seem to me, Sir, that the amendment proposed by the hon. member for Brandon-Souris (Mr. Dinsdale) is opposed to the progress of the bill. He is concerned about its being introduced when this other matter has not been dealt with and I suggest that it is not repugnant to parliamentary procedure if a member takes that stand. May I characterize the substantive question. It is a clear one. The hon. member for Brandon-Souris says that he does not want this bill to be proceeded with until a clear declaration has been made about a certain matter.

That leads me to the point raised by the Parliamentary Secretary to President of the Privy Council. May I comment on this question briefly, even though my colleague, the hon. member for Comox-Alberni in my view disposed of it pretty quickly. The Parliamentary Secretary to President of the Privy Council suggested that if this amendment were allowed it would put Your Honour in a difficult position. How would Your Honour decide when a bill had met this so-called prior condition. I think my friend from Comox-Alberni was quite right; that would not be a decision that Your Honour would have to make. The House might pass a motion today saying that we will not accept any legislation for all time unless this condition has been met, and the same House tomorrow might pass legislation without that condition having been met. There is nothing standing in the way of Parliament doing inconsistent things. I have been annoyed at some of the things that have been decided around here, presumably for all time, which subsequently have been changed. We have a statute known as the Canadian Bill of Rights that says that certain matters shall not be enacted into legislation. But that is only an annual statute. Arguments have surrounded that piece of legislation. It has been argued that Parliament can pass a bill contrary to its provisions, even though it may protect itself by saying, "notwithstanding the provisions of the Canadian Bill of Rights".

So, Mr. Speaker, bearing in mind the authority and sovereignty of Parliament at all times, it seems to me that the passing of an amendment like this would be simply a declaration of where the House stands today on this matter. But the House is still the master of its proceedings and the master of its destiny and can make another decision tomorrow, next week or in the next session. So, Sir, to answer the suggestion put forward by Your Honour and by the Parliamentary Secretary to the President of the Privy Council, it seems to me that this amendment really does not offend our procedural practices in that what the hon. member for Brandon-Souris is saying is, "I do not want this bill to be proceeded with until the House has had a chance to make this statement." Personally, I am not opposed to the passing of this bill on second reading; but it seems to me that the right of my hon. friend to seek this declaration is covered by the rules.

Some question has been raised as to whether the amendment is relevant to the bill. I think, again, that my

colleague from Comox-Alberni has cleared up that point. That is always a fine point. The subject of a reasoned amendment has to be relevant to the bill. Somehow it has to touch on the subject that is touched on in the bill, or you cannot raise it. But, if it is an amendment that seeks to do something which could be done by amending a clause in the bill, then you cannot do it. That is one of the reasons why reasoned amendments have always been so difficult from a procedural point of view.

We must also consider another point which has been raised both ways. I think I heard the Parliamentary Secretary to President of the Privy Council say that this amendment was wrong in that it was opposed to the bill. Usually, the ruling of the Chair is—

Mr. Jerome: In that it is not opposed.

Mr. Knowles (Winnipeg North Centre): In that it is not opposed? That is fine. I accept the correction. The hon. member says that it is not opposed to the bill. I do not see how he can adopt that position because, after all, if the amendment were passed it would defeat the bill right there. That would be the end of it for this session, and if that is not opposing the bill I do not know what is. That meets the condition that has been frequently laid down from the Chair, namely, that when one presents a reasoned amendment one cannot just beat around the bush and talk about things that are interesting to talk about. The mover of that amendment must be clearly opposed to the bill.

As I say, Mr. Speaker, this is a mixed up kind of subject. If I may speak for 30 seconds about my own views on the substance of the matter, may I say that I should like to see the question of aboriginal rights, and so on, discussed by the House. On the other hand, I do not want to see the bill blocked. I should like to see the bill get through. Nevertheless, I defend the right of my friends to my right to take the position that I think they are taking, namely, to use the words of Citation 382, to oppose the further progress of the bill at this time.

Mr. Olson: Mr. Speaker, may I very briefly speak about the matter that Your Honour raised. In case Your Honour has been persuaded or influenced by some of the arguments which have been put forward, may I draw to your attention Citation 203 of Beauchesne which I think is the essential one. The essential question is not whether there is relevancy. Although every member knows that is a requirement. An amendment is ruled out of order if it raises a new question which can only be considered on a distinct motion after notice. I think this amendment raises a new question within the context of the motion that is before the House. I do not want to expand further on that, although authorities and citations can be found at the bottom of page 527 and on page 528 of May's Seventeenth Edition.

• (12:50 p.m.)

There is one other essential point in view of the arguments that have been made. It is with respect to citation 382, to which the hon. member for Winnipeg North Centre referred. That is that it is competent for a member to move an amendment where he is opposed to any further progress being made on the bill. I am sure Your Honour will recognize that there are appropriate ways to move an amendment for that purpose. This is not one of them. Even if it were one of them, the House has already taken a decision on that kind of amendment.

Yesterday we voted on an amendment that invoked the six months hoist. I think that is the most direct way to get the sense of the House as to whether members wish to make further progress on the bill before the House. I suggest that determination has already been made by a decision of this House.

Mr. Speaker: I thank hon. members for their valuable guidance in connection with this very interesting point of order. I took the initiative of indicating to hon. members that I had serious doubts as to certain procedural aspects of the amendment. The hon. member of Winnipeg North Centre has pointed out the difficulty with which hon. members are met in drafting so-called reasoned amendments, and the difficulty with which the Chair is faced in determining whether such amendments fall within the four corners of the established practice in relation to reasoned amendments.

I indicate nothing new to hon. members when I remind them that there are not very many kinds or types of amendments that can be moved on second reading. The scope or range of such amendments is very limited. Hon. members know that, generally speaking, they can move what is termed the six months hoist which was moved earlier in connection with this bill. Hon. members can move, by way of an amendment on second reading, that the subject matter of a bill be referred to a committee and they can move a reasoned amendment. That is about the limit of the amendments that can be proposed.

Reasoned amendments are not frequent in our practice. They are used more liberally in the British House, and to some extent we have to rely on the British practice to determine whether such amendments moved as reasoned amendments can be accepted. The hon. member for Yukon has very helpfully referred to May's Seventeenth Edition which specifies the conditions which govern a reasoned amendment.

Other hon. members have referred to the matter of relevancy. I indicated earlier that I had some difficulty determining whether the hon. member for Brandon-Souris, in the course of his contribution to the debate on second reading of this bill, was entirely relevant. Having made that admission, I find it a little difficult to make a ruling on the relevancy of the amendment which applies the line of argumentation proposed earlier by the hon. member for Brandon-Souris.

I have some reservations. Looking at the amendment and the title of the bill, I find that there may be some difference between the two, but I do not think that I should make a ruling on this basis. What worries me more seriously is whether this amendment as drafted imposes a condition precedent. Hon. members know very well that it is not competent to move an amendment which imposes a condition precedent, that is a reasoned amendment based on such conditions. I refer hon. mem-

bers to May's Seventeenth Edition at page 528, subparagraph (2), on this point.

Perhaps an even more important point is whether this amendment opposes the principle of the bill. The hon. member for Winnipeg North Centre said that the consequence of the adoption of the amendment would be that the bill could not be proceeded with if the amendment were carried. I do not disagree with that, but the amendment in these words, taken as such, does not oppose the principle of the bill. I believe that this is one of the essential aspects of a reasoned amendment, that it should first oppose the principle of the bill and indicate reasons why the second reading should not be proceeded with.

I refer hon. members to citation 393 (1) of Beauchesne:

> An amendment purporting to approve the principle of a Bill and at the same time enunciating a declaration of policy cannot be moved to the second reading. It must oppose the principle of the Bill.

I think this is fundamental. I have always felt that hon. members who wished to propose a reasoned amendment can do so fairly easily with a bit of imagination, providing they find some way which does oppose the principle of the bill and indicates in general terms why the mover of the amendment does not think that the bill should be proceeded with further That is why I have not been entirely reluctant to rule a reasoned amendment out of order because I feel that hon. members are not penalized very seriously. With some imagination, they can always rectify or remedy what the Chair thinks is a defect in the amendment which has been proposed.

This having been said, I have no alternative but to make a ruling in conformity with the British precedents relating to reasoned amendments and to tell the hon. member that I do not think that the amendment as proposed is acceptable. I do so with regret, because I appreciate the importance of the matter and the willingness and anxiety of hon. members to discuss, in relation to the second reading of the bill now before us, that aspect of the matter raised by the hon. member for Brandon-Souris. My conclusion must be that the amendment cannot be put.

It being one o'clock, I do now leave the Chair.

At one o'clock the House took recess.

• (2.00 p.m.)

AFTER RECESS

The House resumed at 8 p.m.

Mr. Robert Simpson (Churchill): Mr. Speaker, when Bill C-187 was introduced in the House last November, and during the brief time in which it was debated during March, it had been my intention to speak briefly on the subject, not so much in respect of what the bill contains but rather in relation to some glaring omissions which I felt I should bring to the attention of the House.

The bill is a comprehensive one. It is a complicated measure, and generally speaking hon. members feel it represents the government's plan for the operation of Yukon mining resources in the future. When we consider the legislation in this light we find, as has been mentioned by previous speakers, that it runs somewhat contrary to the views expressed by several ministers sitting on the other side of the House.

A great deal of interest has been shown in this subject over the last few years, especially in the question of foreign control of Canadian industry and natural resources. At the present time, a large group in Canada is recruiting support in favour of what it terms an independent Canada. I said a few moments ago that the bill, in many respects, runs contrary to statements made by Ministers of the Crown. Yesterday in the House the hon. member for Dauphin (Mr. Ritchie) referred to the remarks of the Minister of Indian Affairs and Northern Development (Mr. Chrétien) in the course of the symposium on petroleum economics and evaluation which was held in Dallas in March. I know the minister may say we are misinterpreting his words, but it appears to me the minister indicated that foreign investment would certainly be welcomed by Canada. I can tell him I appreciate his interest in this respect.

An hon. Member: The minister of energy does not want it, though.

Mr. Simpson: My hon. friend is right. He has spoken out against it on many occasions. However, the Minister of Indian Affairs and Northern Development at that time stated to this group that foreign capital need not fear because Canada would remain an open country seeking positive, not negative, answers to questions relating to foreign investment.

• (2:10 p.m.)

A close look at this bill reveals that it introduces, unlike the existing act, Canadian ownership requirements which in effect provide that a lease of mineral rights can be granted only to a Canadian citizen or Canadian corporation incorporated in Canada; that 50 per cent of the outstanding shares of such corporation must be issued and beneficially owned by Canadian citizens or other Canadian corporations. It is easy for one to say that there should be not too much quarrel with that proposition, and generally I have no quarrel with it, though I for one do welcome foreign investment in Canada. The one reason that I wish to speak on Bill C-187 is that I learn from the bill that there are certain requirements governing foreign investment in minerals in the Yukon.

Ministers have been going across the country offering their own suggestions as to what the Canadian government should require in respect to foreign capital in Canada, and this brings me to the point I should like to make. Although I have said that this is not a good bill, I feel that in many places it is an exceptionally bad bill because of several important omissions in its provisions.

For example, the hon. member for Brandon-Souris (Mr. Dinsdale) mentioned briefly that nowhere in the bill is there any spelling out of the rights that native peoples may have in regard to the future sale or development of natural resources in the Yukon. The hon. member went so far as to move an amendment, which I was disappointed to see ruled out of order because the main objection that I and many others have to this bill is that the rights

of our native peoples are not spelled out or even considered in it. I realize I might be charged with being out of order in speaking at great length about the rights of our native peoples in a debate on Bill C-187. But if this legislation is passed by the House, certain mineral resources in the Yukon will be developed, as they are being developed, with no opportunity whatever being given to the native peoples to discuss or put forward any of the requests they have made for a fair share of the natural resources of the land that once was theirs.

The government may say that all these things will be taken care of, though I think they will have a great deal of difficulty convincing the native peoples of this. For many years members of this House protested that there was no Indian claims commission in operation. For some seven or eight years, these members were told that an Indian claims commission would be set up in the near future. The Indian people got tired of waiting for this commission to commence operations. Nevertheless, they carried on very extensive discussions, or at least endeavoured to, with the government representatives in respect to their claims which, over the years, have remained unfulfilled.

Mr. Chrétien: Mr. Speaker, on a point of order, I do not want to be unpleasant to the hon. member—

Mr. Deputy Speaker: Order, please. The minister is rising on a point of order.

Mr. Chrétien: Mr. Speaker, I think the hon. member should remember that we are discussing the Yukon minerals bill, not the Indian claims commission. I am ready to entertain questions in the House on that subject when the occasion arises, as I have many times so far. But may I say I should like enlightenment on the subject of minerals in the Yukon, not on the subject of the Indian claims commission.

Mr. Deputy Speaker: Order. I think the minister has made a point. When the hon. member for Churchill (Mr. Simpson) began his remarks about the Indian peoples he indicated that he would not be very long because Mr. Speaker might find him out of order. I am taking the hon. member at his word, and I hope that he is just concluding those particular remarks.

Mr. Simpson: Thank you, Mr. Speaker. I can understand the minister's concern in bringing this matter to your attention; it must be getting very tiresome for the government to hear continually requests regarding our native people's rights in Canada, especially in view of the fact that nothing whatever has been done about the many demands made by the Indian peoples regarding their property rights, let alone their hunting and other rights which are theirs through treaty. I realize, of course, that the Indian people of the Yukon Territory do not have treaty rights, as do Indian peoples in other areas.

If I may make my remarks a little more relevant to Bill C-187, and not discuss further the property rights of our native peoples, may I say I am also very disappointed

that there is nothing spelled out in this bill about any royalties that may accrue from mineral development on lands that are presently occupied by native groups.

It is all very well for the minister to say that if a large mining development takes place in the Yukon closely adjacent to or on land upon which our native peoples are living and have lived for a number of years, proper compensation will be paid to them. The minister may say that and may genuinely believe that this question will be taken care of by the government of the day. However, in view of the fact there is no provision in this bill giving the native people protection in this regard, I find it is very difficult to accept the bill at this time. Before I conclude my remarks it is, therefore, my intention to move an amendment to the bill.

• (2:20 p.m.)

Once again I wish to say that it is exceedingly difficult for me to comprehend why the subject of the rights of the native people of the Yukon is not relevant to this bill. After all these people have been there for many years and undoubtedly the land on which they live will some day produce mineral resources. I think that in itself is an indication that their cause is very relevant to this bill. Therefore, Mr. Speaker, I move, seconded by the hon. member for Dauphin (Mr. Ritchie):

That all the words after "That" be struck out and the following substituted therefor:

"this bill be not now read a second time but that the subject matter thereof be referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Deputy Speaker: Is the House ready for the question?

The hon. member for the Yukon.

Mr. Erik Nielsen (Yukon): Mr. Speaker, when I last spoke on this bill on March 25, I indicated to the House and to the minister, because I am sure he was not aware of the extent to which there is opposition by the mineral industry in the Yukon and by the people of the Yukon, that the mineral industry generally is opposed to four offensive and objectionable features in this bill. It would be well to remind hon. members because 48 days have passed since this matter was last discussed, what these objections are. There is a lack of judicial appeal from the discretionary powers given to the public servants and the minister himself under this bill. There is virtually no provision for appeal by judicial process from a decision affecting the title to mineral rights in the Yukon made in governmental offices. No intelligent long-range planning can be made with any security by anyone undertaking the development of mineral resources if the rules are changed halfway through the game.

The second objectionable feature is the power in this bill to make regulations. The bureaucrats would have us believe this power is inserted in the bill because they want some kind of flexibility in these modern times. They say that technology has been so far advanced, and mineral exploration techniques altered so substantially, that there must be this kind of governmental interference now for the sake of efficiency. Yet we have had a mineral

code in the form of the Yukon Quartz Mining Act operating in the territory for almost half a century with no power to make regulations. In the same breath the Minister of Indian Affairs and Northern Development (Mr. Chrétien) likes to take all sorts of plaudits for the rapidly accelerating development of the mineral industry in the Yukon. If it is rapidly accelerating and growing, it must be doing so in an efficient fashion. If so, why then is there the need for the inclusion of these wide discretionary powers in respect of making regulations? There can, of course, be but one answer. The government, the state, does not want the mineral industry to be controlled by the investment dollar. They want to tell the mineral industry where, when and how it can mine and under what terms. In fact, they wish to have virtual and absolute control over the industry. That is why, the last time I participated in this debate, I said it is their intention, whether declared or otherwise, not only in this field but in all the legislation I have seen go through this House in the last two and a half years, to garner for the government an increased degree of control through legislation. There is a long list of those engaged in the mineral industry in the north country who are profusely objecting to the provisions of this bill, two of which I have pointed out. I am not understating the situation.

A third objectionable feature of the bill is the newly constructed royalties provisions which the minister would have the members of the House believe alter in no substantial way the provisions that are in effect in other parts of Canada. That, Sir, is far from being the case. The royalties provisions now in this bill, if applied, will triple and more the royalties which are now payable by those pursuing the development of our mineral resources in the north. The minister, in his last remarks on this bill, equated the royalties which would be payable under these provisions with those now payable in Quebec and British Columbia. That is far from being the case. If the regulations are applied as they are now, the royalties will be substantially increased over the royalties paid by the industry in those two provinces, and this despite the fact that mineral resource development in the Yukon must compete with markets 1,500 miles further away than those in the province of British Columbia and the province of Quebec.

Mr. Chrétien: Mr. Speaker, I do not wish to interrupt my hon. friend but perhaps I could save him some time. Is he not aware that I said I intend to propose at the committee stage some changes in respect of the point he is making. I said this in my first speech. I would hope, therefore this debate could be completed as quickly as possible so that these changes might be made.

Mr. Nielsen: I realize the minister would like to see his bill go through without any objection whatsoever or that he would like to see a minimum amount of disagreement in respect of these objectionable features.

Mr. Chrétien: State the facts.

Mr. Nielsen: Mr. Speaker, I am stating the facts, and when I do not I invite the minister to interrupt. The minister made a token gesture, accompanied by blaring trumpets, when he stated that he would make some alteration in the royalties. I predict the alteration the minister will introduce before the committee will be simply taken as a camouflage in an attempt to make the bill more palatable to those who submitted massive objections to him, to the Prime Minister (Mr. Trudeau) and to the committee in respect of royalties and the other objectional features. When the minister made the statement to which he referred, and published his press release, he said nothing about making alterations to the offensive regulatory power he has included in the bill. He said nothing about presenting an amendment in the committee regarding the restrictions we now impose on the investment dollar. For some 70 years the investment dollar has been flowing into the Yukon for the purpose of developing its mineral resources. Now, all of a sudden, the minister includes a provision in this bill which has already frightened away 30 per cent of the investment capital which is non-recoverable this year because the companies make their plans much in advance of the fall.

I have been told that the loss in respect of the investment dollar this year might be 50 per cent. This is accompanied by another serious difficulty. When I was in Alaska I was informed they have now enacted a retributive regulation which imposes upon Canadian companies a requirement of reciprocity. In other words, Canadian companies that have been active in exploration activities along the 50 mile strip of the Alaskan territory west of the Yukon-Alaskan boundary will be required to come up to the same standard that we are imposing upon United States Companies, otherwise they will not get rights to go in and explore that territory. Already deleterious effects on the Canadian industry and resource development in the Yukon have been noticed.

• (2:30 p.m.)

I will name just a few of the companies that have registered complaints with respect to this bill. This bill cannot be considered in a vacuum because, when combining the odious provisions in this bill with the completely impractical provisions in the land use regulations, which the Governor in Council intends to enact, governing the activities of explorers for mineral resources in the Yukon, and combining these provisions further with the probable legislative consequences of the white paper, we can find that the independent existence of the mineral industry in the Yukon will be virtually snuffed out.

Dynasty Explorations Limited, one of the major shareholders in the $100 million mining development at Anvil in the Yukon have registered very strong complaints against the provisions which I have pointed out in this bill. Atlas Explorations Limited, active in the Yukon to a great extent, have now pulled in their horns this year as a result of this odious piece of legislation. New Imperial Mines Limited who have closed down their operations this year because they ran out of economic ore as a result of the lowering of copper prices, is another such company. It takes no genius to figure out that the more overhead you place upon the mineral industry in the Yukon territory, a high cost area of operation, in the form of royal-

ties or taxation, the less economic ore that industry will have to mine, the more marginal will be their operations. If the royalties provisions as proposed in this bill are enacted, very likely that mine will not go back into production. United Keno Hill Mines in the heart of the mineral rich Yukon territory, if these royalties provisions are enacted and if the white paper proposals on taxation are enacted, will likely also go out of business.

This government holds itself forth as a government which offers incentives for the development of resources in the Yukon and in the north. I say that is rubbish, otherwise they would not be proposing this kind of stupid legislation. Cassiar Asbestos Corporation Limited and Clinton Creek Asbestos, have both registered strong objections to the provisions in the bill. The Council of the Association of Professional Engineers, the Mining Association of B.C., the Mining Association of Canada, the A. J. Forsythe and Company Limited, the British Columbia Chamber of Commerce, the Hanna Mining Company, Archer Cathro and Associates Limited, who already have sent a telegram to the minister saying that they have curtailed their investment plan in the Yukon this year by 30 per cent and are looking elsewhere for a more attractive investment climate, have all registered complaints because of the objectionable features in this bill.

The previous Liberal candidate in the last federal election, who took leave of absence from his position as a geologist with the federal government in order to run against me, has written personally to the minister at length expounding the objections which I am now raising on behalf of the industry and on behalf of the people of the Yukon. I imagine that his representations are getting just as short shrift as any that will be made by government members, if they indeed are making any. As a matter of fact, the very lack of any contribution from hon. members sitting on the other side of the House indicates the extent of their knowledge of the mineral legislation that is now before the House. It would be interesting to hear a few of the members. I see some who are sitting here who know what effect this kind of provision in the legislation will have on the growth of the mineral industry and generally the resource industry in the north. Why do they not rise and express their views?

The Yukon Chamber of Mines have expressed extremely strong views. They represent the mineral industry and are the voice of the development segment of the Yukon population. The Yukon Research and Development Institute in the Yukon, the Yukon Prospectors Association, the Alberta Northwest Chamber of Mines, the Petroleum Association of Canada, the International Brotherhood of Teamsters, the Yukon Trades Council, the Anvil Mining Corporation, the Yukon River Industries Limited, are some of the companies which have expressed objections which I know the minister has received, not to mention the dozens upon dozens of telegrams and letters which have come to the minister and to the Prime Minister (Mr. Trudeau), all objecting to this bill.

Who are we in this Parliament of Canada to get up and speak, as they do on the other side, of the high-flown principle of participatory democracy and the voice of the people when there is such massive representation by well over 95 per cent of the people of the Yukon saying that this legislation is something they do not want? Who are we to insist on forcing it down their throats? When this proposal was last brought before the House in 1954 this self-same argument was made by the then sitting member, Mr. Simmons who said that the people of the Yukon do not want this legislation. They do not want the minister to have regulatory powers when we have had a mineral code that has been in existence for half a century which operated quite efficiently and acceptably. Who are we to force our views down the throats of the people of the Yukon. This is participatory democracy? The Prime Minister and the Minister of Indian Affairs and Northern Development say "let us have your views; we will consider your views". So, 95 per cent of the people of the Yukon do just that. They say they do not want this measure, but the government goes ahead with it anyway. What a hollow mockery of the principle of participatory democracy.

Reference has been made here today to the rights of the native people with respect to lands and minerals in the Yukon. In my submission, this Parliament is bound by a sacred trust which is recorded in its *Journals* of 1867 at a time when the territory of the Yukon was purported to have been transferred to the then Dominion of Canada, a fact which I seriously doubt and which has yet to be tested in the courts of our land. Yet, here we are attempting to fly in the face of that trust.

I recently had the good fortune, at the invitation of the minister, to make an extensive tour of New Zealand and Australia, one of the purposes of which was to compare the policies of those two countries with respect to dealing with their aboriginal peoples with those which exist in Canada. The policies which exist in New Zealand, because of different factors, are not relevant to this debate, but they certainly are in Australia where the aboriginal peoples have no absolute right to their lands. They have no treaties and no equivalent to the treaty of 1763, nor do they have the equivalent of what the Maoris of New Zealand have. But what does the government of Australia do? Notwithstanding the absence of any legal basis upon which to develop their policies, they have adopted the position that it is only morally correct that the government should recognize that these peoples do have some rights, and before a mining company obtains a lease to go into production the government of Australia ensures that a part of that production will be guaranteed to their aboriginal peoples. The minister learned this when he was in Australia, and I learned it for the first time, too.

• (2:40 p.m.)

Mr. Chrétien: Would the hon. member permit a question? I have nothing against this, Mr. Speaker, but I would like him to try to justify his plea to have an added royalty for the Indians in the Yukon when he opposes us having any royalty. Is he suggesting that we should have another royalty for the Indians? I am willing to accept that suggestion.

Mr. Nielsen: I am very interested to hear that the minister is amenable to a suggestion, but obviously he must be tired because he is not looking at all the facets of the suggestion. I admit that is one possibility, but what I meant was that out of the royalties even now paid into the federal treasury, why isn't a portion given to the Indian peoples and tribes in the Yukon Territory? If it is the intention of the government to insist that these royalties now, or in some minor adjusted form be paid into the federal treasury, why doesn't it give the Indian people of the territory a right to a portion of those royalties? I am not suggesting an additional royalty be added to that already imposed.

Mr. Chrétien: That is the case in Australia.

Mr. Nielsen: I didn't hear the minister.

Mr. Chrétien: I said that is the case in Australia. It is an added royalty.

Mr. Nielsen: No, no. As I understood the policy, in Australia a mining company, before it goes into production, has to enter into a lease agreement with the Australian government. It is in that agreement that these royalties are negotiated and spelled out at some length. But it does not follow that the government figures out the royalties it wants, and then adds to that sum a further royalty for the aboriginal people. In any event, even if I am wrong on that, it is long past the time when the Canadian government should have guaranteed to our native peoples a portion of the royalties that are now being received by the federal treasury. It is their moral right, without imposing on the Indian people of the Yukon the obligation of going to all the expense and difficulty of proving their claims in court.

Surely, there is a moral obligation to satisfy the legitimate demands of these people, particularly in an area where there have been no negotiations with the Indian people. There are no treaties with the Indians in the Yukon. It is not the case, as it is in the provinces, where treaties have been negotiated with the majority of the Indian tribes and where, under those treaty arrangements, the Indian people are entitled to their quid pro quo, meagre as it might be. Here in the Yukon you have a situation where the government of Canada has presumed to assume control over all of these lands without a yes, no, or by your leave from any of the Indian peoples.

The minister knows that it is the specific desire of the Yukon Native Indian Brotherhood, which he himself has been instrumental in funding, that there be some recognition extended of these rights, but there has been no scintilla of assurance from the minister that they will ever be given any recognition of their rights. That is something that should be done through this legislation, all the more so because the provisions as presently worded are in breach of the specific trust imposed by the Parliament of Canada to ensure that these rights would be guaranteed to the native peoples. What they require now is a statement from the minister that this kind of policy will be the policy of the government. If the government does not come out with a statement such as that, it will be confronted at a crucial time with actions taken through the courts. Injunctions will be obtained and major projects will be held up. I give the minister fair warning that this is going to happen. I think he knows it is going to happen. But all this could be circumvented by the minister saying that the moral obligations—indeed there is a good argument to be made that it is a legal obligation—of the government of Canada to recognize the rights of the native peoples of the Yukon will be honoured.

All he has to say is that it will be the policy of the government to ensure that a portion of these royalties will be put into a fund designated for the benefit of the Yukon Indian peoples. It is a very simple matter, but I very much doubt that he will do it. Indeed, if one can rely on the statements of the Prime Minister (Mr. Trudeau), something which it is becoming increasingly difficult to do these days, we have his assurance, given two years ago in British Columbia, that there will be no more treaties, no agreements that amount to treaties with the Indian people of Canada. As a result, it is a very short and unbright future which the Indian people have to look forward to, particularly those in the circumstances in which the Indian people of the Yukon Territory find themselves as well as a good many of those in the Northwest Territories.

There is one other objectionable feature of the bill. I mentioned that there were four. I have mentioned royalties, the lack of judicial appeal, and the regulatory power. The fourth objection that I have, and which I raise on behalf of the industry and of the people of the Yukon, is the fact that the provisions of this bill, as can be seen easily even if hon. members only browse through it, place wide discretionary powers in the hands of such persons as the mining engineer, the mining recorder, the minister, the deputy minister and the myriad of officials who go to make up the empire of Indian Affairs and Northern Development. All of these officials, in each of their capacities, are empowered to make decisions anywhere along the line from exploration to production, which can vitally affect the question of production itself. With this kind of lack of security, with this kind of broad discretionary power there can be no reliance whatsoever placed upon a continuing set of circumstances by any of the planners involved in the mineral resource development industry.

What may be valid today at the point where the first prospectors go into the field, might very well be altered tomorrow. The minister knows that it takes around three years to go from the exploration stage to the development stage of any mine. If people in the industry do not have the guarantee of rules written into the statute, rules that will govern their activities from exploration to production, they will just not get involved. For instance, there have been strong statements made such as the one which was made by the President of Anvil Mining Corporation, that if the same legislative prospects had been before them when they made the decision to go ahead with their $100 million development at Faro in the Yukon, that decision would not have been made.

Yesterday the hon. member for Gander-Twillingate (Mr. Lundrigan) said a similar statement was made with

respect to a $150 million development in Newfoundland-Labrador. If the promoters had been confronted with the prospect of the proposals in the white paper on taxation finding their way into legislation at the time they made their decision to go ahead, they would not have made that decision. Surely, the massive outcry of the people in the Yukon—the minister smiles, but surely the opinion of these people must mean something to him. Now, he nods in affirmation. If they do mean something then what they say to him is that they do not want this legislation. Surely the voice of the people has to mean something if we are to believe at all in this hocus-pocus of participatory democracy. It is either that, or against that massive outcry in opposition to this legislation the minister is saying to them fuddle-duddle.

Mr. Greene: Shame! Shame! Withdraw!

Mr. Nielsen: I said it.

Mr. Greene: Unparliamentary.

Mr. Nielsen: In my view this highflung phrase, this ostensible adherence to this principle of participatory democracy is just about worth the powder it takes to blow it to kingdom come. We in the Yukon are much too familiar with the antics of the ministers responsible for Yukon affairs, and the bureaucrats responsible for Yukon affairs, to have any faith in a phrase like "participatory democracy".

• (2:50 p.m.)

I may sound like a cynic but it is a very simple question with a very simple answer. If you have this kind of situation where virtually all the people of the Yukon say "We don't want it" and the minister says, "You are going to get it anyway, whether you like it or not", it is like a dose of castor oil. The minister must be interested in the philosophy of justice since law was his profession at one time. If he has any fairness in his heart at all, he will write into the bill a provision for appeal to the courts in every case where a major bureaucratic decision is involved. It is neither justice nor government by the people when bureaucrats make unappealable decisions, particularly where they affect title to mineral claims.

When the minister speaks again, I hope he will deal with some of these questions to the satisfaction of the people of the Yukon. I have mentioned four specific areas in which he and I both know that the people of the Yukon do not want any part of this measure. Unless he puts forward more than mere token admissions that changes will be introduced, and unless he can spell out that the wishes of the residents of the Yukon will be adhered to, then the voice of the people is pretty meaningless. Perhaps we were right all along when we said we were a mere colony subject to the whim of the Chief Governor of the Yukon, the Minister of Indian Affairs and Northern Development, and his Deputy Governor, Mr. Smith of the Yukon. In other words, there is validity in the phrase, and the minister might as well say it, "l'État c'est moi" est absolument correct.

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I cannot let the bill before us go by without saying a few words on it. In its way, it is one of the most important bills that has come before this House in a long time. As has been pointed out by the hon. member for the Yukon (Mr. Nielsen), its effect upon the territory of the Yukon will be as considerable as the effect of the new tax bill which we expect to see before the end of the current session.

I do not have the same pessimism as the hon. member for the Yukon about the ability of members of this House to write a good bill. I think it is within our capability to appreciate the problem and within the capability of the committee system to come to an understanding of some of the details and practicalities that must go into a bill to make it a good one.

Mr. Nielsen: You know all the companies that will go to B.C. from the Yukon.

Mr. Deachman: If I might be permitted to continue, the hon. member for the Yukon and I would not find ourselves too far apart, just as the Yukon and British Columbia are not that far apart.

Mr. Nielsen: Bennett would like us closer.

Mr. Deachman: First of all, I should like to draw attention to the great importance of the Yukon Territory. It is a part of the country that has to be seen to be believed, but not many members of this House of Commons have had that opportunity. If the problems of its mines are to be appreciated, if the infrastructure of the roads, the airstrips, the railways and communications are to be appreciated, then more members of this House should see the territory before this bill becomes law. With that in mind, I hope when the bill goes to committee, the committee will undertake to go to the Yukon and see some of the territory. I hope that an opportunity will be given to others in this House to accompany that committee and that all will then appreciate the importance of what is before us now.

In order to understand the question fully, I believe the committee should visit the city of Vancouver where the head offices of many of the western mining companies and associations are located. Then, members could speak to those who have been involved in the development of mining in northern British Columbia and the Yukon. Perhaps they could also visit Edmonton, which is the capital centre for mining in western Canada. I do not believe that we can fully appreciate whether the terms within this bill are valid to sustain the mining economy unless we first of all go through that exercise and understand the difficulties that these people encounter.

Those members charged with the responsibility of making a report from the Standing Committee should have an appreciation at first hand of what it is like to open up a low grade mine in a remote area of Canada such as the Yukon, to reduce the ore to concentrate and finally to get it out of the country and into the market at a price that is world competitive. If we do not understand this, and the vast capital cost required to build mines and

the roads structure necessary to take the product to the market, then we have not come to grips with understanding the bill now before us. As we move the bill from this House into the committee, Mr. Speaker, I feel there is a real necessity to understand the size of the problem that faces the committee and to ensure that the committee understands the proposition by having an opportunity to look at it on the ground.

I am not going to comment on the point raised by the hon. member for the Yukon. He is something of an expert in the field because he lives with it daily. He would not be in this House unless he represented his people well in the field of mining development in the Yukon Territory. I do not feel competent to judge whether his criticisms are fair, but I feel that it is incumbent upon the government when considering this bill, just as it was in the examination of the white paper on taxation, to do such a thorough job that we cannot be accused, when the bill comes back at report stage and for third reading, of not understanding what it is about. We do not want to be accused of not understanding this territory of Canada which has the potential to become one of the richest corners of the world.

I make the plea that we do our job thoroughly as we have learned to do in other cases. We must do it here if we are to respect the territory of the Yukon and its people.

• (3:00 p.m.)

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, may I say at the outset that it was a matter of regret to me that the motion proposed earlier today by the hon. member for Brandon-Souris (Mr. Dinsdale) was ruled out of order on procedural grounds. In commenting on the motion now before us I note that the hon. member for Yukon (Mr. Nielsen) in his remarks referred to the subject matter, shall we say, of the amendment that was proposed by his colleague this morning. I agree with what he said in that respect. Indeed, I think he underlined some remarks of mine yesterday when I spoke on what I felt should be considered as the rights of aboriginal peoples with respect to their heritage in the Yukon Territory. However, that is not really the subject matter of the motion now before us.

Mr. Nielsen: That was precisely the reason for the amendment.

Mr. Barnett: Hon. members are familiar with the vigorous and expressive way in which the hon. member for Yukon makes his views known to this House, and I certainly would not accuse him of fuddling or duddling when trying to let us know what he thinks about a matter. Nevertheless, as I listen to him from time to time I detect in the tenor of his arguments the kind of language which he may use in his profession as a pleader before the courts.

Mr. Nielsen: Does the hon. member mean that I did not have him in tears?

Mr. Barnett: I think that we in this chamber do not exercise any judicial function over the arguments of hon. members, Nevertheless, I have detected certain flaws in the logic of some of the statements of the hon. member. Up to a point I felt there was a lack of logic in various aspects of his argument respecting the royalties that might be levied on the mining industry. However, I made some general comment on this subject yesterday. I made clear that I do not always share the views of the hon. member for Yukon as to the manner and method under which mining corporations ought to operate and what legal restrictions should properly be imposed on their methods of operation.

The motion we are considering says that the bill should not now be read the second time, but that the subject matter thereof should be referred to the standing committee. I say at once, Mr. Speaker, that this motion contradicts a previously stated position so far as this party is concerned. I and my colleague, the hon. member for Kootenay West (Mr. Harding), have said that we are prepared to see this bill go to the committee after second reading. We hope that the fullest consideration will be given to it in committee. We reserve our right to determine after that whether we are prepared to agree to final passage of the bill in this House. I again say that this, of course, involves the question of report stage amendments as well as any appropriate motions that may be in order at third reading stage.

Mr. Nielsen: Mr. Speaker, would the hon. member permit a question? Will the hon. member say whether he and his colleagues intend to support the amendment, since its sole purpose is to refer the subject matter of the bill to the committee, as opposed to the bill itself, thus enabling the committee to go into the question that we attempted to go into by way of our previous amendment, namely, that of native rights?

Mr. Barnett: Mr. Speaker, we in this House are often capable of reading into amendments what we want to read into them and of seeing in them that which we wish them to accomplish. I was coming to the general point which I think is in the mind of the hon. member for Yukon. He has implied that the motion was moved so that the subject matter of the earlier motion concerning aboriginal rights might be considered by the committee. I touched on this matter in my remarks yesterday and said that in my view there would be some opportunity for raising the question of the rights of native peoples during committee stage of the bill. I refer to clause 9 of the bill, which I think provides such an opportunity.

In light of the amendment that was moved earlier today, I do not think there would be the opportunity for the kind of complete consideration of the broad position that I think was proposed this morning. Nevertheless, I feel that this question could be considered in committee under the part of the bill which makes provision for such examination. I indicated yesterday that I intended to look at the question of appropriate amendments that might be considered by the committee in this regard.

In the course of the hon. member's remarks I think the minister referred to amendments that he had in mind which would be suggested for consideration by the committee. We certainly will be prepared to consider them

on their merit. I also hope that the minister and his political supporters on the committee will show the same kind of flexibility to amendments which some of us may propose.

Although I might sympathize with the hon. member for Yukon who suggested the purpose of the amendment, having just now listened to the main thrust of his argument I still find myself in disagreement on the position that he feels should be accepted by the House with regard to the activities of mining corporations in the Yukon or in any part of Canada. I made this clear yesterday. However, I agree, as I think he does, that the committee ought to have the opportunity of listening to their arguments. I think all of us want the mining industry of this country to be a viable, economic activity. We may come, as I think was suggested by the hon. member for Vancouver Quadra (Mr. Deachman), somewhat closer to general consensus on this subject than one might think from some remarks made in the debate. So far as I am concerned, that is something for the future.

That brings me to some of the remarks made by the hon. member for Vancouver Quadra. He suggested that the committee should visit the Yukon Territory in the course of considering this bill. As a member of the committee, this idea has been very much in my mind. Indeed, I have put it forward. It has been discussed in the committee and I am hopeful there will be general agreement that part of the proceedings of the committee can take place in the Yukon Territory. If I heard him correctly, the hon. member for Vancouver Quadra also suggested that the committee should visit Vancouver in the course of its examination of this bill because, as he put it, the headquarters of some mining corporations and those interested in mines are in that city.

I say at once that although I have nothing against the idea of a committee visiting Vancouver on occasion, I think in the circumstances it would be much better if the people to whom he referred were to meet the committee in the city of Ottawa after we have had an opportunity of hearing those who live in the Yukon.

• (3:10 p.m.)

The remarks of the hon. member for Vancouver Quadra, particularly when he touched on the question of the problems of transportation as they affect mining and economic activity in the northern parts of Canada, including the Yukon Territory, suggest that consideration might be given to the committee visting and examining the situation in the part of British Columbia where the main transportation gap between the Yukon and Vancouver exists.

Mr. Nielsen: How will we get there?

Mr. Barnett: We could leave that to the ingenuity of the member for Vancouver Quadra and his colleague, the hon. member for Prince George-Peace River (Mr. Borrie), who is sitting close to him at the moment. The matter indirectly raised by the member for Vancouver Quadra is certainly not new. I am glad that a member from the government side of the House raised the question. If this House is interested in seeing what is necessary for the Yukon Territory to develop economically, increase its population and improve other aspects of community living, there could be less uncertainty in the mind of the government about the Yukon arriving at full provincial status.

The point by the member for Vancouver Quadra about transportation development is well taken. I am glad this question has been raised by a member on the government side because it has been raised more than once over the years from the opposition side. Until now the federal government has not indicated that it is prepared to take responsibility for some of the steps, financial and otherwise, which would assist in any major way to close the gap.

I remember a debate a number of years ago when it was proposed that federal financial assistance be extended to the provincially-owned railway system, the Pacific Great Eastern, for an extension of that railway northerly from the city of Prince George. The decision of the government at that time, led by the Right Hon. Louis St. Laurent, was that the government was prepared to assist to the extent of 50 per cent of the cost of construction up to a maximum of 50 miles northerly from the city of Prince George. That was the limit.

It was suggested at that time that it was not economically viable for the federal authority to be involved in the extension of that railway to any greater extent. As hon. members know, particularly the member for Vancouver Quadra and the member for Prince George-Peace River, that railway system has been extended northerly for a considerably greater distance than 50 miles.

Without having any expert knowledge of the situation, my own view is that it has been a very valuable and economically viable proposition. The connection of that railway to link the Peace River area of British Columbia with the Prince George area and on to the city of Vancouver was an important and constructive step. As hon. members know, extensions to that railway system are in the course of being developed; there is now a thrust of railway construction in the general direction of the Yukon Territory.

In connection with the general subject matter of this bill, it might be desirable for serious consideration to be given by the government and the House to the fact brought out by the member for Vancouver Quadra that there is a real disability to economic development in the Yukon Territory because of inadequacies in the existing transportation system.

As hon. members know, I do not always agree with the ideas put forward by the Premier of the province of British Columbia nor with all the requests he makes to the government of Canada, usually through the medium of newspaper headlines. However, the idea of federal assistance to link by means of the bulk transportation vehicle—the railway—all the lower parts of British Columbia to the Yukon Territory is economically justified. This matter is in the general national interest. It is a program that the federal government should be seriously considering. Whether the Pacific Great Eastern Railway

remains a provincially-owned system or not, it should be recognized as being part of the national transportation system of Canada. This is why I am glad this question was raised by the member for Vancouver Quadra.

If there is any real value in the standing committee visiting anywhere other than the Yukon Territory in the course of studying this bill, it would be much better if the committee were to direct itself to the city of Prince George which, I am sure the hon. member for Prince George-Peace River would agree, is in the geographical heart of British Columbia. From that perspective it would get some idea of what would be involved in our responsibility as members of the federal House toward extending that transportation link northerly toward the capital city of the future province of the Yukon.

The Acting Speaker (Mr. Richard): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Richard): The question is on the amendment to the main motion. All those in favour of the amendment will please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Richard): All those opposed will please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Richard): In my opinion the nays have it.

And more than five members having risen:

• (3:20 p.m.)

The Acting Speaker (Mr. Richard): Call in the members.

The House divided on the amendment (Mr. Simpson) which was negatived on the following division:

• (3:30 p.m.)

Division

YEAS

Messrs:

Alexander
Baldwin
Cadieu
Coates
Comeau
Crouse
Danforth
Diefenbaker
Dinsdale
Dionne
Fortin
Gauthier
Gundlock
Howe
Knowles (Norfolk-Haldimand)
MacInnis (Cape Breton-East Richmond)
MacRae
McIntosh
McKinley
Marshall
Moore
Nielsen
Paproski
Ritchie
Ryan
Schumacher
Simpson
Southam
Tétrault
Thomas (Moncton)
Thompson (Red Deer)—31.

NAYS

Messrs:

Badanai
Barnett
Basford
Béchard
Blouin
Borrie
Boulanger
Cafik
Chrétien
Clermont
Cobbe
Côté (Longueuil)
Cullen
Danson
Deachman
De Bané
Dubé
Éthier
Forget
Foster
Francis
Gillespie
Goyer
Gray
Greene
Guay (Saint-Boniface)
Hogarth
Hopkins
Isabelle
Jerome
Knowles (Winnipeg North Centre)
Leblanc (Laurier)
Lefebvre
Lessard (LaSalle)
Loiselle
McBride
McNulty
Mahoney
Major
Mather
Morison
Noël
O'Connell
Olson
Penner
Perrault
Pringle
Prud'homme
Reid
Richard
Roberts
Rochon
Stafford
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Sulatycky
Thomas (Maisonneuve-Rosemont)
Turner (Ottawa-Carleton)
Walker
Watson
Whelan
Winch—63.

• (3:40 p.m.)

Mr. Speaker: I declare the amendment lost. Is the House ready for the question on the main motion?

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, because of a very important engagement I have this evening in Hamilton, I had every intention of going home a little early. But because of the importance of this matter—

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Alexander: I am very pleased by the reception of my colleagues because of my devotion to duty. Because of the very significant aspects of this bill I thought I should rise after my colleagues from the Yukon and from Churchill and give some of my thoughts on this important piece of legislation. Some of my colleagues on the other side may ask, "Is Alexander an expert on the question of minerals?"

An hon. Member: It never occurred to us.

Mr. Alexander: I am as honest as my friend from Vancouver Quadra (Mr. Deachman). He said he is no expert but in keeping with his devotion to duty he thought it was required of him to indicate to the House and the people of the Yukon his thoughts in this regard. I

suggest that more members on the other side should follow the lead of the hon. member, who said to the hon. member for Yukon (Mr. Nielsen) that perhaps they were not too far apart. After the impassioned plea made by the hon. member for Yukon as well as by the hon. member for Churchill (Mr. Simpson), I feel that when given the opportunity to do so I should add my concern to theirs.

I have often said that the role of the opposition can be extremely difficult and that at times it is misunderstood. I think there are three prime functions of an opposition. The first is to make the government behave. However, we will not go into that matter now. The second is that we are the watchdogs of the people's rights.

Some hon. Members: Hear, hear!

Mr. Alexander: I see the Minister of Indian Affairs and Northern Development (Mr. Chrétien) is leaving the chamber. He may have found some offence in these remarks. It is a fact, Mr. Speaker, that we are the watchdogs of the people's rights. Having heard the hon. member for Yukon and the hon. member for Churchill elaborate in no uncertain terms and with strength of conviction about the objections they have received from organizations, agencies, mining associations and companies as well as from those who are most important, our native people, I think the phrase I used "watchdogs of the people" has meaning. We must have participatory democracy, and this is the only way we can get it. If the government will not listen to those who are directly affected, then I say it is up to the opposition to voice their objections.

The third matter which I believe is of consequence in the role of the opposition is that it must provide constructive criticism to bills which the government introduces. Surely we cannot complain about such a role, because it is important. I think the government, in its charity, will admit that we do have the capacity to understand bills and to submit amendments which will make bills good—not for our sake on this side, not for the sake of hon. members on the other side or for that of the Parliament of Canada but, rather, for the Canadian people.

• (3:50 p.m.)

When I look at Bill C-187, entitled an act respecting minerals in the Yukon territory, I feel that the mining industry is certainly of importance in this country. The hon. member for Vancouver Quadra said that we should give due deliberation to this bill as we will to the legislation which will follow the white paper on tax reform. I hope that in the context of the white paper on tax reform and the mining industry, the government will show some understanding of the need for a viable and economic industry. This is what my friends on this side of the House have been talking about. We want do do a thorough job with respect to this matter.

The hon. member for the Yukon and the hon. member for Churchill have indicated that there are at least four main objections to this bill from which we shall not back away because it is necessary that they be implanted in the government's mind in order that the government has second thoughts on this most important piece of legislation.

But I say to the minister who has just come back to the chamber that what is more important is that the hon. member for Churchill was extremely concerned—I am trying to be as fair as I possibly can—about the lack of understanding by the government regarding the rights of our native peoples. I say this also to the Minister of Justice (Mr. Turner), because for obvious reasons and with my background I feel some comradeship with our native peoples and with the problems with which they are faced.

I am not saying that the government is deliberately ignoring their plight and their pleas, but there seems to be no action. When members on this side point out to the government in no uncertain terms that they are ignoring the aboriginal rights of the native peoples, that they have shown no consistent understanding of their problems, it is time for many more on this side to stand and speak for the rights of our native peoples.

Some hon. Members: Hear, hear!

Mr. Alexander: I admit that I am not an expert, but surely to goodness it is high time we realized that the government cannot continue bringing in legislation which ignores the rights of these people who I think have justification in asking us to understand, probe and come up with the necessary solutions. The hon. member was very concerned about royalties which our native peoples do not seem to be sharing. This is one of our main objections. Also, the industry that is directly involved seems to be ignored in terms of what they expect and should get.

Another matter that concerns me as a lawyer was mentioned by the hon. member for Yukon, who is also a very good lawyer, which I am sure the Minister of Justice will admit. The hon. member pointed out that there was an absence of judicial appeal from bureaucratic decision. Surely this is so. I have every faith in the ability of the hon. member who pointed this out to us. I feel it is a matter the minister should look into, because without the judicial appeal required in a democratic society we cannot speak of participatory democracy.

What also concerned the hon. member, and concerns me as a backbencher trying to learn his job, is that every time I am confronted with a bill I find that there are regulatory powers everywhere you look. This is required for flexibility. It is the Big Brother approach. I am told that it is required for efficiency, yet I heard the hon. member say that for the past 50 years these industries have been able to carry on without this type of unwarranted and unnecessary intervention. There is too much regulation. It seems to me that this government is attempting to control the industry to tie it up in knots in order that it can no longer be a viable and economic operation.

Another matter that concerns us on this side is the administration of the legislation. In Clause 3 of the bill I

find that many people will be appointed other than those who are directly involved in this matter and who, with all due respect, may not have the necessary expertise. I shall mention just a few. Clause 4 reads:

The minister shall designate a person to be supervising mining recorder—

That is one. Then, the minister shall also designate one or more persons to be engineers of mines. Who else do we get here? Then we get a deputy mining recorder and a supervising mining recorder.

Mr. Speaker: Order, please. I regret I have to interrupt the hon. member, but it being four o'clock the House will now proceed to the consideration of private members' business.

PRIVATE MEMBERS' MOTIONS

POWER

BAY OF FUNDY—REQUEST FOR FEASIBILITY STUDY ON DEVELOPING TIDAL POWER

Mr. Robert C. Coates (Cumberland-Colchester North) moved:

That, in the opinion of this House, the government should consider the advisability of taking immediate action to initiate a further study to examine the feasibility of developing tidal power in the Bay of Fundy which would include the papers prepared by experts in this field that were prepared for the International Conference on the Utilization of Tidal Power, held at Halifax from May 24 to May 29, 1970, as well as a full examination of interest rates as they have applied to federal government projects in the capital works field.

He said: Mr. Speaker, it is a rather unique experience for a member of the opposition to rise in his place on a private member's resolution and to be able to say to members of the government that almost everything that is proposed in the resolution has already been accepted by the government and that plans are now going forward to implement these recommendations.

I say this with one thought in mind, that when my notice of motion was prepared and placed on the order paper, this was certainly not the case. Indeed, shortly after beginning the present session of Parliament, on questioning the Prime Minister (Mr. Trudeau) I was informed that the government was not giving further consideration to the examination of the programming board report that covered the basic essentials of harnessing for power the Bay of Fundy tides.

• (4:00 p.m.)

But because we are as we are in the Maritime provinces, that is, very persistent and very determined to see that we have projects undertaken in that area of Canada which will allow us to determine our own future as a viable part of this nation, members of both political parties—I say both political parties because in the Maritime provinces we do not have any members of the NDP—

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Mr. Knowles (Winnipeg North Centre): On a point of order, Mr. Speaker, are there not two New Democratic Party representatives in the Nova Scotia legislature?

Mr. MacInnis: No; they only think they are.

Mr. Coates: Mr. Speaker, I understand the question of the hon. member for Winnipeg North Centre (Mr. Knowles) and I say to him that while at one time, a very long time ago, there was a member—a very good member—of the NDP from the island of Cape Breton, which is part of Nova Scotia, that has not been the case for some time and I do not foresee that it will happen again in the present century. What I am talking about now, so far as the electorate is concerned in the Maritime provinces, is what is happening federally; and federally I believe that in the future, just as at the present time, there will be representatives only from the two major parties in the House of Commons. I may be wrong but I do not think I am.

Members from the Progressive Conservative party and the Liberal party joined together in a manner that I have not known in the years I have been in this House—indeed, I am doubtful if it has happened in the past 100 years—to endeavour to see that a re-examination of the programming board's report on the Bay of Fundy tides be carried out by the federal government in co-operation with the governments of the provinces of Nova Scotia and New Brunswick.

We in the Progressive Conservative party are in a position to make a good deal of noise because we happen to sit in the opposition, but I would not want it to be thought by the people of the Maritime provinces that the Liberal members of this House are not as dedicated and determined as the members of the Progressive Conservative party to see that this re-examination is carried out. In fact, the decision by the government to carry out the re-examination came only after much pressure had been demonstrated to the public by members of the Progressive Conservative party and by similar pressure being applied by the President of the Privy Council (Mr. MacEachen), the Minister of Veterans Affairs (Mr. Dubé) and various other members of the Liberal party in this House, on the minister responsible, the Minister of Energy, Mines and Resources (Mr. Greene), to see that such an examination was carried out.

In so far as the government's decision to carry out this re-examination was concerned, I am quite certain it was made only because the President of the Privy Council, for instance, placed the problems of the Maritime provinces and the possible solution of those problems ahead of party politics. Certainly that was the case with the Minister of Veterans Affairs. I feel that their particular and unique knowledge of the problem associated with such re-examination assisted materially in the final determination by the Minister of Energy, Mines and Resources to carry out the examination.

I believe that these two cabinet ministers, along with other Liberal members, deserve as much credit as any member of the Progressive Conservative party for seeing that the re-examination is going forward. I think this

stands as an example of what we in the Maritime provinces can do if when we are elected to this Parliament we place the problems of our area ahead of partisan politics and endeavour to accomplish what we all believe will be in the best interests of the people of our area.

I believe that the parliamentary committee, which is non-governmental but is composed of every member from the province of New Brunswick, every member from the province of Prince Edward Island and every member from the province of Nova Scotia, is an indication to the people of the Maritimes that with or without Maritime union we can do much to convince our people and the government, whatever government it might be, that we are determined to solve our own problems, wherever that is possible, by utilizing our own resources wherever they are available. I hope the same approach will be taken to offshore mineral rights as has been taken to Fundy tides. I say that our accomplishments to date, although we are not yet building the dams that will harness the waters that will produce the power, represent a tremendous step forward in the re-examination that is to be carried out.

I can foresee in the very near future the dams being built that will harness the tides that will produce the power that will make the Maritime provinces a "have" area of this nation—not an area that is worried about equalization payments, but an area like Ontario that is more concerned about having to pay additional revenues into the federal treasury to be used in other parts of this nation; because we will no longer be a "have not" area but will be a "have" area and will be able to contribute more than we receive from the federal treasury. It will be quite all right with me when that time comes.

I want to make it positive and clear that so far as Fundy tides are concerned, as Members of Parliament we want every bit of useful information produced to help make a definitive decision. We hope when all the facts are put together they will indicate that the federal government, in co-operation with the private sector of this country, should harness these tides and produce energy. But in order to do this I believe we must consider certain things that the original examination did not take into consideration. One of the matters that unfortunately did not receive the careful attention it warranted concerns what the power produced from the tides would do for the over-all electrical energy system in the Maritime provinces. In other words, Mr. Speaker, those who initially examined the possibilities of harnessing the tides looked too much at what the energy output from Fundy alone would be, rather than examining it from a system point of view within the Maritime provinces.

• (4:10 p.m.)

Fundy tides produce a unique type of power that is best used from a peaking point of view. In other words, they produce a type of power that when placed into the grid is most useful at a time when large volumes of power are required in large sectors of the Maritime provinces or the northeastern United States. This power is not of a value similar to firm power which can be produced in other ways and is saleable at a much cheaper rate than peak power.

It is contended that the input of Fundy power into a grid system provides a type of power, expensive from the point of view of saleability, that would bring great dividends both to our nation and to the industrial community of the northeastern United States. Today we are aware that there is a great desire on the part of the utilities of the northeasern United States to secure additional power. They need it badly because they are facing blackouts and grayouts. Fundy has that power. All we have to do is harness the tides and the market is available.

In determining whether we should harness these tides and supply that market we must discover what the cost will be. We should not be rating the value of this power as compared with firm power; we should be rating it as a unique type of power saleable at a much higher rate. It is in demand to a greater degree than the firm power that can be produced from thermal or hydro energy.

The Americans want to buy our power, but as Canadians naturally we must think of Canada first, and we as Maritimers must first consider what this power can do for our region. At the same time, however, we must accept the fact that initially more power will be generated than we can use. We must also accept the fact that a market is available for it, and indeed we should be negotiating now with the power utilities of the northeastern United States to determine the extent of that market and the value of the power to be produced when the tides are harnessed.

I contend that when we examine what is available from the American point of view in the northeastern United States, coupled with what is now available and will be available in the future in the Maritime provinces, we will find that there is plenty of power to assist both areas at the same time. We will also find that we can look forward to a degree of industrialization in the Maritime provinces that has not yet been imagined. We will also be able to assist in solving a serious problem in the northeastern United States. The great value of this power is that it is pollution free. There is no great danger to the ecology of the Maritime provinces from the harnessing of these tides. There are none of the forbidding drawbacks associated with nuclear energy.

I believe that at the earliest date possible we should get this committee moving and have it examine the papers prepared for the International Conference on the Utilization of Tidal Power. We should do it today rather than the day after tomorrow. I hope that the government is now negotiating with the governments of Nova Scotia and New Brunswick to arrange for the re-examination of the programming board's report.

I do not believe, Mr. Speaker, that the personnel who produced the original report should be re-examining it. That would put us in the same position as the private who appealed the decision of a corporal to a sergeant to determine whether it was right, and had it confirmed. The sergeant appealed it to a lieutenant, who confirmed it was right and appealed it to a captain, who confirmed it was right, who appealed it to a major who confirmed it was right. In other words, you get into the position where everybody is confirming what you said was right. I should like new people to examine the programming

board's report to see whether they were right and used the proper technology. I am sure that is what the people of the Maritime provinces want.

I believe a number of other things should be involved in this re-examination and I shall list them: First, they should re-study the effect of barriers on tides; second, they should devise a scheme that will supply firm power; third, they should tailor the tidal scheme for the most lucrative power market; fourth, they should restudy projects using simplified lower cost generating units; fifth, they should reassess costs based on the caisson method of construction; sixth, evaluate the export power market and integration of tidal power; seventh, examine maximum use of the new interconnection between New England and the Maritimes for Fundy development; and eight, re-examine competitive power costs in the light of unusual price increases since 1968.

Mr. Speaker, I commend the government for its willingness to re-examine the programming board's report of 1969. I also commend the Minister of Energy, Mines and Resources for his attitude throughout the process from the point where it was said there would be no re-examination to the point where today the re-examination is going forward. I commend the President of the Privy Council, the Minister of Veterans Affairs and those members of the Liberal party from the Maritime provinces who have taken a special interest and made a special effort to see that the programming board's report is re-examined. And certainly I congratulate the members of my party who have also shown a determination to have it re-examined.

Mr. Charles H. Thomas (Moncton): Mr. Speaker, I thank hon. members for their courtesy in extending to me the privilege of speaking at this time. I assure them that I shall not abuse this privilege but will keep my remarks brief.

An hon. Member: Take your full time.

Mr. Thomas: I should like to take much longer, but my time is limited. I want to congratulate my colleague, the hon. member for Cumberland-Colchester North (Mr. Coates) for placing this motion on the order paper. He has been a long-time advocate of Fundy tidal power and has kept the project alive at times when it seemed nobody was listening. He was also instrumental in forming the all-party House committee actively engaged in studying the subject at this time.

I should like to read an interesting comment which appeared in the Toronto Stock Exchange survey of energy resources in Canada. This confirms some opinions that people recently have made about this project. After referring to the vast power requirements in the next 10 or 15 years both of the United States and of Canada, and mentioning that sources of energy are declining and the United States and Canada are worried about the situation, the article says:

• (4:20 p.m.)

Recent declines in interest rates and the increasing costs of fossil fuels have begun to make the hydro-electric development of the Bay of Fundy tides appear more economically feasible.

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My main purpose in speaking this afternoon is to put on record, as a member from New Brunswick, that the proposed project is important not only for Nova Scotia but for all Maritime provinces as well as for New England states and the eastern seaboard of the United States. Recently, the Premier of New Brunswick fully endorsed the project. In his remarks he noted that although interest rates are dropping, they still remain high. They are on the downward trend. He noted that environmental pressures have become more urgent and there is a growing realization that tidal power plants, one of our few non-pollution energy producers, must be further developed. He went on to say:

—because of the interprovincial nature of such a project, it would appear that any future undertaking must command heavy federal participation with related lower cost investment capital.

Governor Kenneth Curtis of Maine recently stated that New England is desperately short of power and would probably buy any and all power available from the Fundy project if it is built. He said that he could not think of a project which would be of greater mutual benefit to the New England states and the Maritime provinces.

The chairman of the New Brunswick Electric Power Commission, Mr. George E. McInerney, has gone on record as being strongly in favour of further research and the possible development of Fundy power. New Brunswick faces a growing power shortage, as do most countries today. New Brunswick has a reciprocal arrangement with Maine under which power that is produced in New Brunswick can be sold to Maine. At present Maine is taking all the extra power that New Brunswick can produce.

To take care of the growing power needs of the province, a new $50 million thermal plant is just being completed at Eel River. Nevertheless, the province faces the prospect that all the potential energy from the new plant will be sold and as a result plans are now on the drawing board for a further $50 million thermal plant which is to go into operation in 1975. All this indicates the desperate need of the area for power in the future. The chairman of the New Brunswick Electric Power Commission also said that the costs of thermal fuel are steadily going up. The recent increase in oil prices probably prompted him to say that every increase of $1 per barrel in the price of oil represents an additional expense to the province of $4.5 million annually. He therefore feels that serious thought must be given to developing further sources of power such as the Fundy project.

Premier Regan of Nova Scotia has done an excellent job in keeping the project before the public and in keeping it alive. His recent action in forming a corporation to carry on studies relating to the project must be commended. Some people are accusing the Premier of trying to "go it" alone. I do not buy this entirely. I think that his enterprise and initiative must be commended and that he is prepared to co-operate with the other provinces. I emphasize that one province cannot "go it" alone and that if the project is to be successful there must be co-operation between the three provinces, which must

co-operate with the federal government. A recent editorial in the *Telegraph Journal* reads in part:

> The Bay of Fundy is not a Nova Scotia bay. It is at least as much New Brunswick's bay. New Brunswick has a tremendous interest both in what is done with the bay and in the power that it can produce—pollution-free power that would be endlessly renewable and not consume any of the world's shrinking fuel supply. New Brunswick must be involved and must be just as rigorous in pursuit of the idea as Nova Scotia.

The editorial points out that the bay is interprovincial and that therefore the federal government has a definite responsibility to take part in the project and assist the provinces financially because they cannot "go it" alone. The editorial concludes:

> The federal government should look at the project with an open pocketbook—
>
> That pocketbook should be just as open for this long neglected region as it was for wealthy central Canada in the 1950s when the St. Lawrence Seaway was built.

That editorial expresses my thoughts aptly. I simply say to all hon. members that the development of Fundy tidal power is worth examining seriously and I make this plea: Let there be a concerted effort to develop the project, an effort which should be made by the three provinces co-operating with the federal government.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, I was not surprised to see this notice of motion on the order paper. I welcome this motion. I believe that when an hon. member feels as strongly about a subject as the hon. member for Cumberland-Colchester North (Mr. Coates), he is under an obligation to not take no for an answer. I think the forum available to him, the House of Commons, ought to be used on every possible occasion for putting forward his point of view. He ought to do this during the question period, as he has, during budget debates, opposition days and in private members' hour, as he has.

Without doubt, Mr. Speaker, his motion has merit. The matter raised by the hon. member has been the subject of a study. I will not labour that point. Some hon. members may wonder why I am speaking on this matter during private members' hour. I say to the mover of the motion and to the hon. member for Moncton (Mr. Thomas) that I have lived in northern Ontario for some time and when I have had occasion to go outside Canada I have always been asked, surprisingly, about Niagara Falls and the Bay of Fundy tides? People outside Canada seem to have the idea that these areas are just around the corner from where one lives. I blush in confessing that I have not had the good fortune to see the Bay of Fundy tides. I hope to remedy that situation this summer.

Some hon. Members: Hear, hear!

Mr. Cullen: The Bay of Fundy tides have a magical quality. Their quality permeates not only the area that the hon. member for Moncton represents, not only Nova Scotia and New Brunswick but all of Canada. I strongly suspect that if some way could be found to take the action suggested by the hon. member, Nova Scotia would certainly benefit as would New Brunswick. Probably the benefits would be even greater, since anything that benefits part of Canada surely benefits the country as a whole.

I have read the report on this subject and undertaken some background studies, and I have read a number of press clippings. As the hon. member for Moncton said, the Premier of Nova Scotia has been criticized in some circles for "going it" alone. Clearly, the point the hon. member for Cumberland-Colchester North was making was that certain things had to be done and that he was doing them alone. All the same, it was gratifying to hear him pay tribute in this connection to the President of the Privy Council (Mr. MacEachen) and to the Minister of Veterans Affairs (Mr. Dubé).

I recently read in the *Globe and Mail* that Mr. R. B. Cameron was appointed president of the recently created Tidal Power Corporation by the Premier of Nova Scotia, Gerald Regan. Then the article reads:

> A Crown corporation, the new company was funded at $10 million by legislation at the just completed session of the Nova Scotia legislature to derive power from the Bay of Fundy tides.

The article then says that Premier Regan and Mr. Cameron will leave for Europe to inspect the French tidal power plant in Brittany. It must also be pointed out that the hon. member's motion says, not that the government should consider the advisability of initiating a study but that it should initiate a further study. "Further" is the adjective used. I think this is obligatory because it is incumbent upon those who have the responsibility today to determine whether in this very comprehensive report something was in fact missed, and if there are ways of harnessing this tidal power particularly for the benefit of Canadians in that section of our country.

• (4:30 p.m.)

I want to read a short passage from the Atlantic Tidal Power Programming Board's report. It points to what man has been trying to do and what we are endeavouring to do in Canada. I quote:

> Over the centuries, mankind, in his quest for survival and his search for a better way of life, has directed his ingenuity to harnessing the forces of nature to his uses. Mastery and utilization of the energy evident in the sun, the wind, the rivers and the tides as well as of the latent sources existing in various elements of the earth has been a much sought goal, wherein the degree of achievement has grown or varied with the development of technical knowledge and its application and with the economic value of the forces to be harnessed.

In our search for this goal we must face the ever present questions, "Is it financially feasible? Is it in fact economically viable?" I understand from officials of the government that the federal government has offered to join with the provinces of New Brunswick and Nova Scotia in a general review of the findings of the Atlantic Tidal Power Programming Board and present comments on the proposed development, with Nova Scotia and New Brunswick representatives, regarding a review

group comprising a review board and a review committee.

I was interested in the comment by the hon. member for Cumberland-Colchester North (Mr. Coates) that the same people should not be making the decision. I hope attention will be paid to that representation. The point I am trying to make is that I am in favour of this motion. I salute the hon. member for bringing it forward in another form in this House. It is an opportunity to put forward what I think is a good idea.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I too associate myself with the two previous speakers in paying tribute to the hon. member for Cumberland-Colchester North (Mr. Coates). He has been a consistent and vigorous advocate of this very important project for a very long time. He was very generous in paying tribute to others. Much could be said about his own unrelenting, thorough, ongoing efforts in which he has fought for this very valuable project. I commend him on his continuing zeal and for the vigour with which he has presented his case, as well as for the thoroughness with which he has mastered the research necessary to make him as much an authority on this matter as a non-technical person can become. Along with the hon. member and other colleagues to whom he has paid tribute, it should be pointed out that some of the newspapers in the Maritime region, desiccated by Davey, were also in the forefront in keeping this very valuable project before the public for consideration.

The Fundy project is not only of concern to the people in areas surrounding the great Bay of Fundy. It is a matter of concern to all in the Atlantic Region because the whole Atlantic region is interested in it. The whole Atlantic region would benefit if this great project should reach actuality. I could go even further. If the region should prosper therefrom, the whole of Canada would benefit because where one region is weak economically the whole country is weakened thereby.

We from the Maritime provinces do not particularly enjoy the "designated area" status. We do not relish pointing out year after year that the pact of confederation, as it is sometimes called, the arrangements of confederation and the tariff and economic adjustments of confederation have placed upon us disadvantages which, added to certain geographical disadvantages, have sometimes been almost intolerable. We do not enjoy constantly harping on these things. We ask that we be given a chance and some assistance in helping ourselves.

I was impressed when the Prime Minister (Mr. Trudeau) was in Saint John last December. He spoke about the markets to the south, the important markets in New England and the chances for great Maritimes' trade with that area. I think he was profoundly correct. The ties with the economic portion of the great north-east United States has meant a great deal to the Maritimes. The artificiality of our being cut off from economic liaison with that area has been one of the consistent problems facing the Maritimes since their entry into confederation. Anything that can be done to further trade with the northeastern portion of the United States is to be welcomed wholeheartedly. As the mover of the motion has pointed out, the sale of power to a power-deficient area is not only good economics regionally and nationally but internationally as well.

The arguments are compelling for this great project. A former colleague who used to represent Shelburne-Yarmouth-Clare, now the constituency of South Western Nova in large part, was an expert in engineering and in business. I recall that he gave quite a dissertation on the types of power and the way in which power could be rendered efficient and expanded. He spoke about tidal power as being an inexhaustible source. Very dramatically, Mr. Bower said that as long as the moon, the earth and the sun endure, there will always be tidal power. He said it is an exhaustible source of energy. I was much impressed with that very simple but profound illustration of the situation.

My colleague referred *en passant* to the question of Maritime union. Maritime union is not a project which greatly excites me. I am still capable of being excited over some things. The regrouping of some provinces, closing down three capitals and building a new provincial legislature would not do much to cope with the real, profound problem, the economy of our region. The development of such things as the Prince Edward Island causeway, the corridor road and the magnificent Fundy power project would be far more important than Maritime union and the studies which might emanate from that project which seem to interest some people.

It strikes me that very often we major in minors on some of the fundamental questions. Here my colleague has directed us to a major. He has done it in a major and important way. I commend him. I hope the study will go forward. I agree with him that not a day should be lost and that indeed too much time already has been lost. I hope that the study will be completed soon and the recommendations will be favourable. This great project will do much for our economy, to strengthen the region and thereby strengthen Canada. We should go forward in this area with the leadership of the provincial governments and the government of the nation which, as my hon. friend from Moncton (Mr. Thomas) pointed out, has responsibilities. Since it has responsibilities and the economic strength, I hope it will accept this obligation.

• (4:40 p.m.)

Mr. Murray McBride (Lanark-Renfrew-Carleton): Mr. Speaker, I was hardly able to rise to my feet in the sense of having been so caught up in the remarks of the hon. member for Hillsborough (Mr. Macquarrie), who perhaps more than most of us in this chamber has a gift of using words more effectively on almost any subject, be it a subject of philosophic content or even such a very practical motion as that which is before us today.

I want to associate myself with what has been said by my hon. friend on this side of the House, the hon. member for Sarnia-Lambton (Mr. Cullen), and each of those very fine speakers who represented what I might

be permitted to call the holy trinity, the three Atlantic provinces so far represented in this debate, and pay tribute to the man in whose name this motion stands, the hon. member for Cumberland-Colchester North (Mr. Coates). I have for some time, of course, as have all other people, been aware of the concern and interest in the tidal power project, the feasibility studies, the waxing and waning not only of the tides but of interest in them. Among those who, from what I have been able to learn, have neither waxed nor waned in their interest is the hon. member in whose name this motion stands, and his non-partisan presentation today has, I am sure, impressed all of us in this chamber.

To come to the substance of the motion, this project is particularly intriguing if we recognize the many spin-off benefits which would accrue from it not only to the region but to the whole nation if a substantial source of low-cost power could be developed as recommended in the motion before us, provided, of course, studies could predict favourable results. No one who has taken seriously the ongoing discussion concerning the development of the Atlantic region of Canada can fail to be interested in the subject matter with which this notice of motion deals.

I am impressed that certain steps have been taken in Nova Scotia and, indeed, in other areas since October 16 last, the date on which this motion was set down. I know it is not permissible under the rules, but I would love, if it were permissible, to be able to ask the hon. member whether there would be any substantial changes made in his notice of motion if he were writing it this afternoon instead of some five months ago. Does he feel that his motion is as relevant now as it was then? Perhaps he believes it is even more relevant than it was on the date he first presented it in this House.

Mr. Coates: I should just like to tell the hon. member that this motion is in exactly the same words as one I put forward last session. There is no difference whatever in my attitude or in the words of the motion.

Mr. McBride: I suppose, Mr. Speaker, what I was really getting at was this: Does the hon. member feel that the need for federal participation is increased because of the action which has been taken in Nova Scotia? I am referring, of course, to the establishment of the Tidal Power Corporation. Does this make it more urgent that there should be federal participation in the sense of the study being more relevant, or does the situation remain roughly the same?

Be this as it may, we are all aware that the Tidal Power Corporation has been funded to the extent, as I understand it, of $10 million and that a man who it is my pleasure to know, in part at least, from my work on the regional development committee has been appointed president of that Crown corporation, Mr. R. B. Cameron. I for one, was delighted to learn that a man of his ability had been chosen. I think it is widely recognized that Mr. Cameron is a man of unusual gifts. His record in the field of industry and his work in Devco and other places is well known to all the Maritimes members, especially

[Mr. McBride.]

those from Nova Scotia. I see both the members from Cape Breton here. They know this situation even better than I do, even though we may not always concur in our assessment of aspects of the situation.

In October, 1969, as is well known—I shall not spend much time on this—the Atlantic Tidal Power Programming Board released its report entitled "Feasibility of Tidal Power Development in the Bay of Fundy." One of the conclusions of that report was that it had become abundantly clear to the board that substantial portions of the large potential tidal power resource of the upper part of the Bay of Fundy were possible of development in a variety of sites and arrangements. In fact, according to the findings of that report, the development of but three of the 23 possible development sites could provide electrical energy in excess of 13,000 million kwh annually.

I hardly need refer to the board's report in much more detail, but the board did conclude—this is some time ago now, and of course the purpose of the motion is to have the issue reopened—that the economic development of tidal power in the bay under conditions prevailing two years ago was not feasible.

I for one must confess this is such an imaginative project that I should be pleased if those who are technically more competent than perhaps any of us in this chamber could see any light at the end of the tunnel, any hope at all that some success may be obtained from further studies in the sense that some program might be developed which could prove economically feasible taking into account some of the additional factors which have been introduced so capably here. I refer to the export of power to the United States, with the large northeastern market available there, taking into consideration the over-all growth, energizing and stimulus effect this would have on the maritime economy and certainly, therefore, in a broad, general way on the economy of all of Canada, even to the perhaps optimistic but certainly intriguing dimensions suggested by the hon. member for Hillsborough. Hon. members will recall he suggested that the day might well dawn, if a feasible project could be constructed and sizeable power realized therefrom, when a province such as Nova Scotia, or since he was speaking for Prince Edward Island, the whole region, I suppose, might become a "have" rather than a "have not" region, to use the colloquial terms with which we are all familiar.

I was impressed earlier today with the hon. member for Hamilton West (Mr. Alexander) pointing out the role of the opposition. I suggest, Mr. Speaker, that here we see a good example of the role of the private member. A member is able to bring forward a subject for discussion and thereby put it on the record and have some of us respond to a project which certainly is dear to his heart and of value to a whole wide region of our nation.

• (4:50 p.m.)

I hope a study containing some input from the federal coffers might come forward with a proposal for action that would result at least in a portion of the benefits to

Nova Scotia, New Brunswick and Prince Edward Island that have been so glowingly described this afternoon.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, during this hour the House has heard from members representing each of the three Maritime provinces and also from Ontario. As a member from western Canada, I should like to add that we too commend the hon. member for bringing this matter before us. We should like to see the resolution passed.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, I would not wish the hon. member for Winnipeg North Centre (Mr. Knowles) to pre-empt exclusively the interest of western Canada in this matter. I do not claim to have any particular familiarity with tidal power. However, energy is a matter of considerable concern in my part of Canada and therefore I should like to speak for a few moments on this interesting resolution.

I suppose the hon. member has already garnered sufficient accolades and congratulations that perhaps he might be able to do without any from me, though perhaps I may say his persistence, as he admitted in his remarks, has in large measure been gratified between the time he placed this resolution on the order paper in the first instance and today, when finally the House has had an opportunity to debate the matter.

A couple of things have occurred in very recent weeks in the over-all field of energy as it affects the Atlantic provinces which have a bearing on the economic feasibility of this particular study. Certainly the price changes in crude petroleum imports to eastern Canada must make alternate energy sources more attractive and be yet another plus factor for this type of project.

Then there is the ongoing exploration for petroleum off the east coast of Canada. We have had some titivating rumours from time to time in this regard, but regrettably nothing of sufficient substance on which to hang anything firm. Nevertheless, in the petroleum industry in Atlantic Canada there is a firm confidence that these exploration efforts will be rewarded with success which, if that is the case, will mean another factor enters the field of supplying energy to Atlantic Canada, a factor that will contribute to its economic well-being.

One hon. member who spoke earlier, I believe the hon. member for Sarnia-Lambton (Mr. Cullen), pointed out that the federal government has already offered to join with the two provincial governments directly concerned in making a review of the finding of the Atlantic Tidal Power Programming Board. The papers presented at the Halifax meeting of the International Tidal Power Conference in May last year are, of course, available to the federal authorities, and they have been studied very thoroughly. The results of that conference confirm the technical viability of that project; there is no question about that. But regrettably, as the hon. member noted in his motion, the results of that conference did not contribute materially to our knowledge of the economic viability of the project.

The resolution before the House today refers specifically to the interest rates that have applied to federal government projects in the capital works field. Interest rates for major capital projects is a subject that is to be reviewed by this joint study with the two provincial governments. The problem is to determine what the interest rate pattern is likely to be over the next eight to ten years when the project is being built. Federal interest rates for funds advanced to Crown agencies for capital cost programs increased through the 1950s and the 1960s to a peak of about 8¼ per cent in mid-1970. During the current calendar year this rate has dropped to just below 7 per cent—6-15/16ths per cent—in the present quarter.

This is for all practical purposes the same rate that the Atlantic Tidal Power Programming Board adopted for its studies. The board used the figure of 7 per cent. It should, of course, be noted that commercial rates and borrowing rates by the provinces are likely to be somewhat higher. At the moment I think the prime commercial borrowing rate and provincial borrowing rates are running 8 per cent to 8½ per cent per annum. So at the moment it appears there is no indication that interest rates will decline sufficiently to improve the economic viability of the project beyond the information that was available to the programming board.

On the basis of the board's 1969 report, interest rates would have to fall to 3½ per cent to 4 per cent in order to make tidal power competitive—when I say competitive, I do not mean cheaper—with other hydroelectric power sources. Therefore, it does not look too promising that interest rates will soon achieve a level that will make the project economically viable.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. The hour provided for consideration of private members' business having expired, I do now leave the chair. This House therefore stands adjourned until Monday at 2 p.m.

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Dinsdale: Mr. Speaker, could I inquire of the acting government House leader what the business is for Monday and the ensuing days?

Mr. Francis: Mr. Speaker, I do not quite know to whom that reference is directed. However, if I may answer on behalf of the party involved, I believe that at page 5161 of *Hansard* for April 22 the government House leader outlined the sequence of government business. This means that we will continue with Bill C-187, an act respecting minerals in the Yukon Territory. I gather there is a disposition to conclude debate on this matter on Monday. That being the case, it will be followed by

Bill C-228, an act to amend the Canada Labour (Standards) Code.

The Acting Speaker (Mr. Richard): Hon. members will appreciate that I have no lines to read today, though I could have been poetic about the romance, adventure and wealth of the Yukon. At the same time, I should have recalled the beauty and powerful majesty of the untamed tides of the sea of Fundy. We Canadians are fortunate indeed that all these things are ours to enjoy and cherish.

Some hon. Members: Hear, hear!

At five o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, April 26, 1971

The House met at 2 p.m.

HOUSE OF COMMONS

CONGRATULATIONS TO MEMBER FOR YORK SOUTH ON ELECTION AS NEW DEMOCRATIC PARTY LEADER

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, from your perspective at the end of the chamber it may not have come to your attention that the hon. member for York South, as a result of certain events over the weekend, has moved two feet to the right of his previous position in the House. I am delighted to view such a moderating trend in that party. When one reflects that the cost of the NDP convention was about $25,000, this represents the sum of $1,000 per inch—surely the highest unit cost of any political shift in Canadian history.

On behalf of the Liberal caucus, I wish to offer congratulations to the hon. member in his new leadership position. His election is a deserved recognition of a long and dedicated political career.

Some hon. Members: Hear, hear!

• (2:10 p.m.)

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to associate myself and my colleagues with the welcome expressed by the Prime Minister (Mr. Trudeau) on the arrival of the new leader of the New Democratic Party in the House. The hon. member for York South (Mr. Lewis) is to be warmly congratulated on being selected as national leader of his party.

Some hon. Members: Hear, hear!

Mr. Stanfield: I am sure we all applaud his new status, which might be described as "even-Stephen or even better".

Some hon. Members: Hear, hear!

Mr. Stanfield: I compliment the new leader on the high tone and the serious calibre of the convention which elected him. It again exemplified to me that, while we may have wide-ranging philosophical differences, in the party structure in this country there are common aspects of our behavior that tend to hold us together.

The group in the New Democratic Party who get together and argue strongly for principles divergent from the main stream are referred to as the Waffle. In the Progressive Conservative party they are referred to as the membership—

Some hon. Members: Oh, oh!

Mr. Stanfield: —and in the Liberal party they are referred to as the cabinet.

Some hon. Members: Oh, oh!

Mr. Stanfield: I want to make it very clear to the new leader of the NDP that I was not one of those who went along with the argument that he was too old for the position. I seem to recall that the same type of argument was made some time ago when it was thought that the hon. member for Winnipeg North Centre (Mr. Knowles) might contest the leadership of their newly formed party. There were people at that time who said he was too tall to be leader! In any event, Sir, the new leader has arrived, and although some may suggest that the letters NDP may be now thought of as standing for the words, "now David's problem"—

Some hon. Members: Oh, oh!

Mr. Stanfield: —in all sincerity, Sir, my colleagues and I wish him well.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, it is with great pleasure that I am joining with all my colleagues in this House to convey to the hon. member for York South my most sincere congratulations on his election as leader of his party.

I would also like to wish him a most rewarding and very long mandate.

On behalf of all my colleagues, I am pleased to convey to him our most sincere congratulations, and to wish him a long stay in Parliament.

[*English*]

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, as the most recent unemployed party leader in the House I should like to say on behalf of all of the members who sit in this party how proud we are of the new leader who has just been elected to head the New Democratic Party in Canada.

May I say to the Prime Minister (Mr. Trudeau) that the reason the new leader has moved right and that I have moved left is that there was a strong suspicion in our party that I was being subverted by the Tories, and so I have been moved left to regain some of the pristine purity of the party.

The members of the NDP caucus met this morning and our first item of business was to move an unanimous motion of confidence in the new party leader and to pledge to him our undivided loyalty and support. I can assure the House that that is exactly what he will get from me and from all of us in this party.

Some hon. Members: Hear, hear!

Mr. David Lewis (York South): Mr. Speaker, I am naturally very grateful for all the kind words. I should like to say to the Leader of the Official Opposition (Mr. Stanfield) that if his party wants to see our organizers and find out how voting at a convention should be conducted, I shall take personal steps to make sure his party is educated in that regard. I find it rather difficult to find some other way in which I can help to educate his party, but we can give him better voting machines.

I should like to thank the Prime Minister (Mr. Trudeau) for his kind words. I am always impressed by the way in which he notes details very carefully. He noted that I had moved two feet to the right. I should like to say, I hope without offence, that at least the distance I moved to the right was noticeable and short, Mr. Speaker.

I intend to do my best, as I have tried to before, to hold the confidence of my colleagues, to win the respect of the House and to serve the people of Canada as best I can.

Some hon. Members: Hear, hear!

ROUTINE PROCEEDINGS

[*Translation*]

SALARIES AND ALLOWANCES

STATEMENT BY PRIME MINISTER RESPECTING INCREASES FOR MEMBERS OF PARLIAMENT, SENATORS, SENIOR PUBLIC SERVANTS AND JUDGES—TABLING OF REPORTS

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, hon. members are aware that for several months the government has been seized with recommendations and suggestions concerning certain classes of persons whose salaries are drawn from public funds. I wish now to inform the House of the recommendations which the government is prepared to make to Parliament in these respects.

A heavy responsiblity rests upon the government at any time to balance and discharge properly its dual obligations to the public: one, to attract and hold persons of outstanding ability and proper motivation and, second, to guard the public purse against unnecessary or imprudent expenditures. During an inflationary period of rising prices and increasingly high salary awards, these obligations become even more onerous for in issue is the role of the government as a leader in restraint. For these reasons the government has taken a stringent approach to those salaries directly dependent on government initiative and is grateful to those concerned for their patience and understanding.

It has become increasingly apparent however, Mr. Speaker, that public salary questions cannot be deferred indefinitely. Hon. members are aware that no complete review of salaries of senior public servants has been undertaken since 1969, that judicial salaries have not been increased since 1967, and that parliamentary salaries have not changed since 1963. The government has sought the advice of distinguished consultants in relation to these categories of office-holders. It has consulted as well with members of Parliament including spokesmen of the opposition parties in this House and with members of the other Chamber with respect to the question of compensation for Members of Parliament and Senators.

[*English*]

With respect to parliamentary salaries and expenses, the government has also reviewed and considered the recommendations of the Advisory Committee on Parliamentary Salaries and Expenses chaired by Mr. T. N. Beaupré. It will be recalled, Mr. Speaker, that that committee stated in its report that it was guided by six basic principles which I shall attempt to summarize as follows:

First, the future of Canada depends largely upon the ability of the public to secure the services of the best possible people as parliamentarians.

Second, salaries should be high enough to attract persons of proven ability at a time when their earning potential may be at its highest.

Third, the position of the parliamentarian is essentially a full-time occupation; his working day in the House of Commons is usually much longer than the industrial average.

• (2:20 p.m.)

Fourth, the tenure of office of a member of the House of Commons is uncertain; 292 members have been defeated in the past 12 years, with probably more to come.

Fifth, the nature of the position is becoming increasingly more time-consuming, more complicated, more sensitive and requiring considerable moral courage.

Sixth, a member of Parliament must meet many expenses that are not common to other salary earners and that are not deductible for income tax purposes, as is the practice in many other countries.

It is the view of the government, Mr. Speaker, that the interests of Canada will not be served if Parliament fixes the levels of compensation of the elected representatives of the people at a level which is either so high as to attract candidates for reasons of financial gain, or so low as to deny effectively the opportunity of parliamentary service to all but those possessing private incomes. In the judgment of the government the second hazard is of more immediate cause for concern than is the first.

For these reasons, the government proposes to introduce, in this session, legislation to amend the Senate and House of Commons Act in the following respects: salaries for Members of Parliament and Senators would be increased from $12,000 per annum to $18,000 per annum. This increase amounts to approximately 6 per cent per year since 1963, about one-half of the size recommended by the Beaupré Committee. Expense allowances for Members of Parliament would be increased in the amount of $2,000 with new differentials for members representing the northern constituencies. Expense allowances for Senators will continue to be one-half of those for Members of Parliament. It will be proposed that these changes take effect from the beginning of the present session.

The government will not propose at this time changes in the salaries of office holders in Parliament as recommended by the Beaupre committee.

The government will introduce in this session as well amendments to the Judges Act which will increase judicial salaries significantly in an attempt both to recognize more adequately the heavy responsibilities of these persons, and to facilitate the appointment to the bench of younger candidates who may have family responsibilities.

Legislation will also be introduced to provide for an increase in the salary of the Auditor General by equating the salary of the holder of this important public office to that of the Chief Justice of the Federal Court of Canada.

Some hon. Members: Hear, hear!

Mr. Trudeau: The government intends to introduce as well legislation to amend the Prime Minister's Residence Act to bring within it provisions for a residence for the Leader of the Opposition and for a residence for the Speaker of the House of Commons.

Some hon. Members: Hear, hear!

Mr. Trudeau: This measure recommends the conversion of that act into an Official Residences Act, placing the three residences on a rent-free basis consistent with the recommendations of the Beaupré Committee. In the case of the Prime Minister's residence the new provisions would come into force after the next general election, while provisions for the residences of the Speaker of the House and the Leader of the Opposition would be effective as of January 1, 1970.

I wish now, Mr. Speaker, to turn briefly to the question of salaries for senior members of the Public Service. The government has received and approved in principle the second report of the Advisory Group on Executive Compensation in the Public Service, chaired by Mr. J. V. Clyne.

In the report, the advisory group has once more stressed the importance of performance evaluation in the application and continuing administration of individual rates of pay for executives in the Public Service. It examined the existing executive salary structure in relation to the trends and levels in executive salaries in the private and public sectors as well as to the results of collective bargaining in the Public Service, and concluded that if the Public Service is to attract and retain the services of the best available personnel for executive positions, executive salaries must remain reasonably competitive with those in the private sector.

Although the advisory group recommended that the salary ranges for executives and deputy ministers be adjusted, it did so subject to the following reservation which the government strongly endorses:

> We wish to stress once again that we are not recommending salary increases for senior executives, but rather that we are providing a salary framework that should permit the government to obtain and retain the best available people for the most important positions in the Public Service.

The government has decided not to approve at this time the recommendation which would have had the effect of extending the maxima of the ranges by 20 per cent in exceptional circumstances.

The advisory group recommends that the managerial group excluded from collective bargaining should be more clearly identified and enlarged, and the government is prepared to have this matter studied further in conjunction with the review of legislation affecting collective bargaining. The government has also approved the four principles which would govern the determination of pay and conditions of work for the management group, whatever its size or composition.

The report deals with the proposals for early retirement which are reflected in the government organization bill which received first reading on December 9, 1970. The administrative recommendations relating to early retirement have been referred to the Treasury Board for action, as have the recommendations relating to non-salary compensation.

Salary revisions for both judges and senior public servants will be phased in over a two-year period, deferring full implementation until January 1, 1972, but moving half-way with effect from January 1, 1971.

[*Translation*]

Finallly, Mr. Speaker, I wish to take this opportunity to express my appreciation and that, I am sure, of all hon. members to Mr. Beaupré and the members of his committee, Mr. Arthur Maloney and Monsieur Marc Lapointe, for the time which they have devoted to these important matters and for their excellent report. We also thank Mr. Clyne and the members of his advisory group, Drs. J. J. Deutsch and Roger Gaudry, Mr. Allen Lambert and Monsieur Marcel Vincent.

In conclusion, pursuant to Standing Order 41(2), I wish to table the second report of the Advisory Group on Executive Compensation, as well as a document containing details of the proposed increases in judicial salaries.

[*English*]

Hon. J. A. MacLean (Malpeque): Mr. Speaker, the statement of the Prime Minister (Mr. Trudeau) forecasts legislation of a type that is, I believe, of basic importance to the Canadian nation, Therefore I wish to express appreciation of the fact that a copy of the statement was made available in advance.

The statement deals with the most important institutions of our democratic system of government, including the position of Parliament itself with relation to the remuneration of the membership of the Senate and House of Commons. The provision of residences for two of the most important officers of the House, the Leader of the Opposition and the holder of the position of Speaker, is long overdue. The salary of the Auditor General, one of the most important servants of Parliament, is also of great importance, as are the salaries of judges. Finally, the salary ranges of senior public servants in the executive class range and the salary ranges of deputy ministers are of importance.

Referring to the last matter, I note that the government is closely following the recommendations of the advisory group on salary ranges for executives and

deputy ministers. This matter will be carefully examined when the legislation is before us.

With regard to the salaries of judges, I believe it is essential that salaries in this field be kept at a level which will attract the most qualified members of the legal profession. However, members of the Standing Committee on Justice and Legal Affairs and others more qualified to speak on this matter will deal with this item at greater length when the legislation is before us.

I commend the government for accepting the recommendation of the Standing Committee on Public Accounts with regard to the salary of the Auditor General. I consider it appropriate that it be at the level now proposed.

With regard to the provision of residences for those holding the positions of Prime Minister, Leader of the Opposition and Speaker, I believe that Canada has been niggardly in this regard. Its record has been poor. There has been an official residence for the Prime Minister for the past number of years but no official residence for the Leader of the Opposition. Incidentally, there are some reservations attached to the former which I do not think appropriate. I hope they will be corrected. Up until this time, no residence has been provided at public expense for the Leader of the Opposition. I think it is time that this was corrected. The important position of Speaker of the House is one which should carry with it the provision of a suitable residence. We lag behind other countries of the Commonwealth in this regard.

• (2:30 p.m.)

I turn now to the subject of adjusting the salaries and allowances of Senators and Members of Parliament. Not since 1963 has anything been done in this field. I should like to quote briefly from what was said by the Prime Minister of the day on the occasion of the last salary adjustment. He said as reported at page 2735 of *Hansard* for July 29 of that year:

> This resolution, Mr. Chairman, involves a responsibility which, if action is to be taken at all, cannot be escaped either by the government of the day or by Parliament itself, since it cannot be delegated to any other body.

I should also like to quote briefly from the remarks of my right hon. friend from Prince Albert who was then the Leader of the Opposition. Speaking in the same debate, he said:

> I begin by saying that I am in agreement with the Prime Minister when he says the responsibility must rest upon the government. That responsibility is theirs. On the other hand, the matter is one that, being concerned with personal interest, denies consideration being given on a partisan basis. In other words, each and every member should be in the position of determining for himself or herself the attitude to be taken on this matter—I agree with the Prime Minister that legislating to one's own benefit is something that must be subject to the conscientious viewpoint of each and every member. It cannot be decided on the basis of party considerations or party purposes.

Therefore, Mr. Speaker, I am not in a position to bind members of this party as to their attitude to this measure, nor would I wish to do so if I could. I have, however, interested myself on behalf of this institution in the financial position in which members of the House of Commons find themselves as a result of serving the nation in Parliament. A considerable number of members are in the fortunate position of having independent means in consequence of which they are in a position to serve in Parliament regardless of what their remuneration may be. However, without belittling their services in any way I think it is fair to say they would be the first to believe that service in the House of Commons should not be limited to people who are so fortunate as to be blessed by independent means.

There is another group in the membership of the House who can manage fairly well on the present level of salaries. They are people with few or no dependants and members who, though perhaps in some cases they would not want to admit it, have working wives. Again, there are members who come from urban areas and who are able to vacate their homes and rent them to help pay for living accommodation in Ottawa during the year. However, I was struck by the number of members, especially younger members with young families, who are suffering real economic hardship because they are serving their constituents as Members of Parliament. I believe that if Canada is to be well served by a cross-section of age groups and economic groups representative of the general public, some improvement in the salaries and allowances of Members of Parliament is imperative.

It is imperative for a number of reasons, I believe. There has been a continual rise in the cost of living. There have been no increases in members' salaries since 1963. I suspect there are few other salaried groups in the country whose position has not been changed since 1963 either in the private sector or in the public sector. As a result, the salary ranges of Members of Parliament have fallen badly out of line with salaries paid in other fields, including salaries paid to members in other jurisdictions. In most cases, relatively speaking, Members of Parliament are in an unfavourable position compared with members of provincial legislatures and in some cases they are in an inferior position in absolute terms.

Over the period since 1963 there has been a great increase in the expenses hon. members must incur because they are subjected to increased costs in carrying out their representation of their constituencies adequately. I note that the increase in salaries recommended by the government is well within the wage increase guideline of a maximum of 6 per cent per annum. I note, too, that the increase in salaries is roughly half the increase recommended by the Beaupré Commission after a careful study of the question last year. Expense allowances on the average are probably less than those recommended by the Beaupré Commission, but a comparison in this field is difficult to make because of a difference of approach to this matter. I note with approval that differentials are being provided in the case of members who represent the vast northern constituencies.

I would hope however, that the government would envolve a more systematic method of dealing with parliamentary salaries. I believe that on the whole these proposals will commend themselves to the membership of the House. I think it behooves members to look at this matter as objectively as they can, recognizing that these

salaries are provided not for the individuals who happen to be occupying seats at the moment but for the positions which are held.

Finally, I join with the Prime Minister in expressing appreciation for the work done by the Beaupré Commission, by the Clyne Committee and by the Standing Committee on Public Accounts.

Some hon. Members: Hear, hear!

Mr. David Lewis (York South): Mr. Speaker, I realize that the subject of members' salaries is a delicate one and that there is a great deal of uneasiness and some tension in connection with the matter. I also recognize that since the salaries and expense allowances have not been adjusted for eight years there may be some justification for increasing them now. I am most anxious that no one in the House should interpret what I am about to say as amounting to a "holier than thou" attitude, but I cannot agree to an increase of 50 per cent in the salaries of Members of Parliament when the government and the Prices and Incomes Commission have told the workers of Canada that they cannot have increases of more than 6 per cent and when the chairman of the Prices and Incomes Commission now says they should not have increases of more than 4 per cent to 5 per cent.

• (2:40 p.m.)

It is true to say that the job of a Member of Parliament has now become a full-time job, that we are working long hours and all the rest of it. It is also true to say that the overwhelming majority of working people in this country have no alternative but to take the jobs they have, no matter how low their wages, and that Members of Parliament have an alternative as to whether they want to be here or do some job elsewhere which may pay them more. I do not think this comparison is at all justified, either morally or factually.

I appreciate that there are differences in this House, that there are some people who are better off, some people who are worse off, some people who have more dependants and some who have fewer dependants to take care of. I do not condemn anyone for supporting this proposal, but I say that increases of 50 per cent in salary and 33 per cent in our expenses are far too large to place before Parliament. This is far too large an increase for us as Members of Parliament to accept and vote for at a time when a large proportion of our working people are unemployed and at a time when we have told workers there are limits to the amount of increases for which they ought to ask.

I find particularly unsatisfactory the suggestion that these increases be retroactive for six months to last October 1. Nor can I accept the explanation that there is a make-up provision by which we average out the increase to 6 per cent per year since 1963. The railway workers were negotiating very recently and demanded a make-up provision because they had fallen behind. They got something, but very little, and we were on the verge of a strike because of the attitude taken by the railway companies, particularly the publicly-owned company which depends on this Parliament for additional funds to deal with increases in the wages of its workers.

An hon. Member: What about plumbers and electricians?

Mr. Lewis: An hon. member refers to plumbers and electricians. Let me say without any hesitation, speaking for myself, that I think the increases in the construction trades did not take into account the need for homes, the cost of homes and the public welfare of this country, but that does not justify Members of Parliament taking steps which are socially unjustifiable in the circumstances in which we live.

The Prime Minister says that the government took into account the Beaupré report. May I suggest that the government did not do that at all. Two of the things the Beaupré report emphasizes are that there ought not be large expense allowances without expenses being justified by voucher and, second, that there ought to be a large increase in the kind of services we are able to give our constituents and the kind of facilities we have to do our jobs. Both of these suggestions were ignored by the government. The government merely proposes to increase from $6,000 to $8,000 the non-taxable expense allowance, for which we are not required to provide any vouchers at all. This is a pretty large sum of money that can now be used by Members of Parliament and members of the Senate for expenses without having to account for it.

There are differences in my party, as there are differences elsewhere, as to what level of increase there might be. But I am sure I remember correctly when I say that all my colleagues, when we discussed this matter some time ago, were unanimous in emphasizing that an increase in facilities and assistance for Members of Parliament in serving their constituents and their country is a more important matter than the question of an increase in salary. There is no adjustment whatsoever in the facilities which Members of Parliament are given although there is an increase in salaries and in expense allowances.

I knew when I rose that there would be catcalls, needling and catcalls round the House, but that is not going to stop me from making very clear the position I feel is the proper one. I suggest to the Prime Minister that the entire system in fact is wrong. I do not agree even with the appointment of a special committee or commission to deal with this matter. I think the time has come to place the salaries of Members of Parliament in some appropriate classification of the Public Service in order that members will obtain adjustments in the regular, annual way that public servants receive adjustments and will get no more than public servants receive from year to year.

Some hon. Members: Carried.

Mr. Lewis: If all hon. members agree with the proposition—

An hon. Member: What classification?

Mr. Lewis: The classification might be suitable for the hon. member for Ontario or it might even be too high; I do not know. But if all hon. members agree that this is what should be done, surely this is the time to do it. Salaries should be set at some appropriate and not exaggerated level so Members of Parliament do not have to go through the unpleasant and distasteful job every few years of voting large increases because over a period of years there has been no adjustment at all.

I am particularly disturbed by the fact that increases of considerable size are being given members of the Senate. Their job is certainly not full time. They have ample time to carry on whatever business they have. We have always thought the Senate was an unnecessary institution anyway, and we do so now. I cannot in my mind justify the very exaggerated increase suggested for members of the other place any more than I can justify the increase suggested for members of this House.

May I say a word or two about one or two other matters. It is my understanding that the adjustment with regard to the residence of Mr. Speaker, and I hope I am wrong, is merely to legalize something that has already been done for some time. My understanding is that it refers only to the farm at Kingsmere. I think I am right in suggesting that the general feeling in the country as well as in the House is that we should make the Speaker's position more permanent and that one day Mr. Speaker will be provided with a home in Ottawa rather than being limited to the farm at Kingsmere.

As far as other personnel are concerned, I do not know exactly what the government is proposing because the details are not yet before us. I have already spoken too long and I do not wish to take any more time, but let me say to the government that the time is overdue for the setting up of machinery to take the place of collective bargaining for that part of the civil service which is not entitled to collective bargaining under the law.

I have deliberately spoken without the emphasis I usually employ because of my knowledge of the sensitivity of the problem. I conclude by repeating that, while in my view an increase in the salaries of hon. members is obviously justified after eight years without any adjustment, the government is wrong and the people who advised it are wrong when they come up with a figure of a 44 per cent increase in total, a 50 per cent increase in salary alone and a 33 per cent increase in expense allowances for which hon. members do not have to account by vouchers showing actual expenses. I am certain it was done in good faith. I am not making any accusations. But I am always impressed by the double standard we use in our society. We use one standard for people like ourselves who are in a privileged position and another standard for people who are not in a privileged position.

• (2:50 p.m.)

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, I see the government is no longer reluctant to introduce the conclusions of the Beaupré Committee. Judging from consultations that have been going on behind the scenes, there was anxiety.

However, I do not think that at any point of the negotiations there has ever been any threat of strike in the event the proposals would have been deemed unacceptable. Everything seems to be geared towards friendly relations among all concerned and the solution of what appears to be a salary increase problem.

I am pleased to congratulate the members of the Beaupré Committee for having given a report which does not apparently lead to too many unfavourable comments. I had the opportunity of finding out that arbitration reports on some negotiations are not always that welcome.

On the second page of the right hon. Prime Minister's (Mr. Trudeau) remarks, it is mentioned that the committee was guided in its report by six basic principles of which I will quote some:

(1) The future of Canada depends largely upon the ability of the public to secure the services of the bast possible people as parliamentarians.

We agree entirely on that.

The fourth is as follows:

(4) The tenure of office of a Member of the House of Commons is uncertain; 292 members have been defeated in the past 12 years.

No doubt would it be interesting to analyse the causes of past changes. I do not think they could be attributed to the members' indemnity.

Here is the fifth:

(5) The nature of the position is becoming increasingly more time consuming, more complicated, more sensitive—

In fact, this is true in some cases.

—and requiring considerable moral courage.

An hon. member is undoubtedly liable to exhaust his fortitude reserves in order to bring Canadians to accept the present system.

In so far as incomes are concerned, I see that a great percentage of civil servants earn more than $25,000 a year, some $35,000 or $40,000, and I would like to mention in particular the Governor of the Bank of Canada, who earns $75,000 a year.

After that statement, I will add that we were much more interested in the improvement of working conditions in Parliament offices. Many hon. members are faced with space problems which should be solved. We think that it would have been in order for each hon. member to benefit from a secretarial office in his constituency in order to make available to his constituents the information which they need.

It can be read on page 44 of the report of the committee, and I quote:

For Members of the House of Commons wishing to establish constituency offices, provision of space in federal buildings or alternatively, payment up to $1,200 per annum for the rental of office accommodation and payment up to $1,500 per annum for office assistance.

I note that there is no mention of this in the statement.

To conclude what I had to say on this matter, I think that it is in order to repeat here what I said in 1963, since the last salary raise dates back to that year.

I have in hands the full text of what I said on a practically similar occasion, not very long after the salary raise which had been granted then, and I quote:

Has a second thought been given to the feeling of fathers who can barely make both ends meet with incomes of $1,000, $1,500 or $2,000 a year, to the feelings of those who, in their sickness, must accept the restrictions imposed by social service officials regarding their own subsistence and that of their families, and even worse, to the feelings of the unemployed? There are thousands of them, as everybody knows, who live in constant fear.

What was their reaction—

—or what will be their reaction—

—when they saw that legislators were looking after their own interests instead of settling urgent problems such as unemployment, family allowance increases, boosts in old age pensions—

—in this respect, there already has been clear improvement—

and in pensions to veterans who, more than any others, have given their all for the survival of democracy, for which their countrymen should have been ever grateful—

—members of Parliament thought of themselves first.

I could continue enumerating quite a number of undeserved cases of destitution. Have we considered those unsettled cases before granting ourselves an increase of indemnities?

It is unfortunate, but such actions contribute to increase dissatisfaction among the people. Canadian citizens are always ready to pay their administrators handsomely,—

—provided that they render good services—

—as long as they do not forget to give them in the first place the necessary means to earn a decent living.

Let us compare the imbalance between the increasing rise of salaries of the average Canadian heads of families and the unchanged rates of family allowances.

I said this in 1963, and there is nothing I have to withdraw. I have no reason for changing my opinion because the system has not improved.

This is what I had to say concerning the statement we just heard.

* * *

[*English*]

POST OFFICE ACT

AMENDMENTS RESPECTING STAMP AGENTS' COMMISSION, LETTER MAIL PREPARATION ARRANGEMENTS, EXTRAORDINARY SERVICES, MEMBERS' MAIL, ETC.

Hon. Allan J. MacEachen (for the minister responsible for the Post Office) moved for leave to introduce Bill C-240, to amend the Post Office Act.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

CBC—SPORTS BROADCAST TIME

Question No. 965—**Mr. Rowland:**

In each of the years 1969 and 1970, what was the total broadcast time devoted by (a) CBC radio (English network) (b) CBC television (English network) (c) CBC radio (French network) (d) CBC television (French network) to (i) American professional sports events (ii) Canadian professional sports events (iii) international professional sports events (iv) Canadian amateur sports events (v) other amateur sports events?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows:

		1969 hours	1970 hours
(a)	American professional sports events	14	15¾
	Canadian professional sports events	74¼	66½
	International professional sports events	2½	4½
	Canadian amateur sports events	13	3½
	Other amateur sports events	5	11
	(In addition many short telephone reports from domestic and international sports events were broadcast in the body of studio sports programs).		
(b)	American professional sports events	111½	98½
	Canadian professional sports events	205	259
	International professional sports events	5	9½
	Canadian amateur sports events	121	65
	Other amateur sports events	36	18½
(c)	Canadian professional sports events 100 hours in 1969 and 1970.		
(d)	American professional sports events	84½	109½
	Canadian professional sports events	263	251½
	International professional sports events	3	4
	Canadian amateur sports events	100	96½
	Other amateur sports events	3½	6

[*English*]

PEI—UNEMPLOYMENT INSURANCE BENEFITS AND MANPOWER TRAINING

Question No. 1,079—**Mr. McQuaid:**

1. How many residents of the Province of Prince Edward Island were drawing unemployment insurance benefits as of (a) January 31, 1969 (b) January 31, 1970 (c) January 31, 1971?

2. What was the total amount paid in the Province of Prince Edward Island in unemployment insurance benefits on each date?

3. During the months of October, November and December, 1970 and January, 1971, how many applications for unemployment insurance were rejected and for what reasons?

4. As of January 31, 1971, how many people in the Province of Prince Edward Island were enrolled in the various upgrading courses sponsored by the Department of Manpower and Immigration?

5. What was the total amount paid during the month of January, 1971, to those enrolled in the various upgrading courses sponsored by the Department of Manpower and Immigration?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Un-

employment Insurance Commission and the Department of Manpower and Immigration as follows: 1. The total of active benefit claims on January 31 of each year were: (a) 1969, 6,687; (b) 1970, 5,946; (c) 1971, 7,003.

2. The total amount of Unemployment Insurance Benefits paid in the month of January each year was: (a) 1969, $691,818; (b) 1970, $719,114; (c) 1971, $730,142.

3. The number of claimants who failed to qualify for benefit by reason of insufficient contributions to the fund during each month were: (a) October, 1970, 48; (b) November, 1970, 223; (c) December, 1970, 2377; (d) January, 1971, 949.

4. 2,086 full-time trainees in both skill and educational upgrading courses.

5. $412,224 was paid in training allowances during January, 1971 to trainees in Prince Edward Island.

DEPARTMENT OF ENERGY, MINES AND RESOURCES—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,092—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Energy, Mines and Resources (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. J. J. Greene (Minister of Energy, Mines and Resources): The Department of Energy, Mines and Resources does not provide computer services to: (a) other departments; (b) industry; (c) provincial governments; (d) municipalities.

SASKATCHEWAN—SECOND NATIONAL PARK

Question No. 1,231—**Mr. Southam:**

Has a site for Saskatchewan's second National Park been definitely established and negotiations completed between the federal and provincial governments and, if so, on what date will the development work commence on this project?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No site for a second National Park in Saskatchewan has been definitely established. Discussions are continuing between Saskatchewan and the Federal Government to this end, however, and no development work will commence until an agreement is reached.

WOOD BUFFALO NATIONAL PARK—TIMBER BERTHS

Question No. 1,238—**Mr. Harding:**

1. In Wood Buffalo National Park, how many timber leases are currently in force (a) when was each lease granted (b) what is its termination date (c) what is the acreage involved (d) who holds the lease?

2. (a) What was the total revenue received from these leases for each of the past five fiscal years (b) what was the total timber cut involved?

3. (a) Who is responsible for reforestation on the leased areas (b) has any replanting of cut-over areas been carried out and, if so, by whom and in what amounts for each of the past five years?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Three timber cutting agreements are currently in force in Wood Buffalo National Park: (a) Timber Berth No. 367, June 8, 1955; Timber Berth No. 378, January 11, 1956; Timber Berth No. 408, May 24, 1956. (b) Timber Berth No. 367, July 31, 1972; Timber Berth No. 378, May 31, 1975; Timber Berth No. 408, July 31, 1981, with provision for one 21-year renewal. (c) Timber Berth No. 367, 13.4 square miles; Timber Berth No. 378, 26 square miles; Timber Berth No. 408, 216 square miles; (d) Swanson Lumber Co., Ltd., 600 Bentall Building, 10180—102 Street, Edmonton 15, Alberta.

2. (a) 1970, $23,208.16; 1969, $25,301.01; 1968, $21,928.63; 1967, $18,745.55; 1966, $14,248.59. (b) 90,475,021 FBM.

3. (a) Natural regeneration. (b) No.

GLACIER NATIONAL PARK—TIMBER BERTH

Question No. 1,241—**Mr. Harding:**

Have all the titles to private timber berths in Glacier National Park been transferred to the Crown and, if so (a) who was the previous owner of each (b) what was the acreage involved (c) what was the amount paid for the holdings purchased?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Yes. (a) Previous owners of each were: (i) Kicking Horse Forest Products Co. Ltd., in Golden, B.C. holding cutting licences for Timber Berths Nos. 40, 292, 328, 329 and 342; (ii) Selkirk Spruce Mills Co. Ltd., Donald, B.C., Timber Berth No. 117. (b) The acreage involved was approximately 31.85 square miles. (c) The amount paid for the purchases was $2,943,032.

GRANTS UNDER REGIONAL DEVELOPMENT INCENTIVES ACT

Question No. 1,245—**Mr. MacGuigan:**

Have any individuals, firms or companies received more than one grant under the Regional Economic Expansion Programme and, if so, which ones?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Yes; under the Regional Development Incentives Act and the Government Organization Act (1969), the following firms have accepted more than one offer: Bruck Mills Ltd., Canadian International Paper Co., Chemcell Limited, Dominion Textile Ltd., Ecstall Mining Ltd., Green Lantern Wholesalers Ltd., Lakeside Farm Industries, L. E. Shaw Ltd., McCain Foods Ltd., Moore Business Forms Ltd., Murdock Lumber Co., National Sea Products Ltd., Noranda Mines Ltd., Ocean Harvesters Ltd., Red Earth Lumber Co. Ltd., Stanfield's Limited, Sydney Steel Corporation, and United Sawmill Co.

DEPARTMENT OF CONSUMER AND CORPORATE AFFAIRS—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,258—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Consumer and Corporate Af-

fairs (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): (a) n/a; (b) n/a; (c) n/a; (d) n/a.

PRICES AND INCOMES COMMISSION—VOLUNTARY GUIDELINES, 1970

Question No. 1,274—**Mr. Orlikow:**

1. In preparing its voluntary guidelines in 1970 did the Prices and Incomes Commission make any normative assumptions about the distribution of income?

2 Did the Prices and Incomes Commission consider what the impact of its guidelines policy would be on the distribution of income and, if so, what was the expected impact?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): I have been informed by the Chairman of the Prices and Incomes Commission as follows: (1) The pricing criteria approved by the National Conference on Price Stability and endorsed by the Federal-Provincial Conference of First Ministers were intended to ensure a narrowing of average profit margins for the business sector of the economy as a whole during 1970. The wage and salary criteria, in conjunction with the pricing criteria, implied a greater moderation of the rise of consumer prices during 1970 than the corresponding moderation of the rise in average compensation per employee. Wage increases for employees earning $2.00 per hour or less were specifically exempted from the suggested upper limit of six per cent. (2) Taken as a whole, the guidelines for 1970 were intended to be consistent with some enlargement of the share of employee compensation in net national income during the year, involving some contraction of other income shares, including corporate profits.

REDUCTION IN LEVEL OF PRICE INCREASES, 1970

Question No. 1,283—**Mr. Orlikow:**

1. Did the Prices and Incomes Commission contribute to a reduction in the rate of price increases in 1970?

2. To what factors other than its own activities does the Prices and Incomes Commission attribute the reduction in the level of price increases in 1970?

Hon. Ron. Basford (Minister of Consumer and Corporate Affairs): I have been informed by the Chairman of the Prices and Incomes Commission as follows: 1. Yes.

2. Canada's price performance in 1970 was the result of several factors in addition to the price restraint program. These include a weaker demand for goods and services, the appreciation of the Canadian dollar, and special circumstances affecting food prices in certain parts of the country.

Orders for Returns

QUESTIONS PASSED AS ORDERS FOR RETURNS

PUBLIC WORKS—HIRING OF ARCHITECTURAL FIRMS

Question No. 379—**Mr. Coates:**

1. How many architectural firms have been retained for specific projects by the government since June 25, 1968?

2. (a) What are the names of the firms retained (b) what is the specific project in each instance (c) what is the amount they have received to date in fees and expenses for services rendered (d) what will be the final estimated cost in fees and expenses in each instance?

Return tabled.

GRAIN—CANADIAN WHEAT BOARD ACCOUNTS

Question No. 617—**Mr. Douglas:**

1. What was the surplus or deficit in the Canadian Wheat Board accounts for durum wheat, other wheat, oats and barley in each of the past twenty crop years?

2. How many bushels of each class of grain were delivered in each of the same years?

3. In cents per bushel, what were the initial and final Wheat Board payments on the top grade of each of those four types of grain in each of the same years?

Return tabled.

FEDERAL CONTRACTS LET TO KATES, PEAT AND MARWICK

Question No. 675—**Mr. Skoberg:**

1. How many federal contracts have been let to the consulting firm of Kates, Peat and Marwick, in 1968 and 1969 (a) what was the total cost of the contracts in 1968 (b) what was the total cost of the contracts in 1969?

2. How many of these contracts for consulting services were awarded by competitive tender?

3. Were there any contracts let to the firm of Kates, Peat and Marwick concerning the survey of coal reserve estimates in any part of Canada and, if so, in what areas?

Return tabled.

• (3:00 p.m.)

ORAL QUESTION PERIOD

NATIONAL SECURITY

GOVERNMENT INTENTION REGARDING PUBLIC ORDER (TEMPORARY MEASURES) ACT

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Minister of Justice whether, in light of answers given last week in the House, he is now in a position to tell the House what action, if any, is intended with regard to the Public Order (Temporary Measures) Act, sometimes referred to as the Turner act? Can the minister tell the House now what will happen to it?

Hon. John N. Turner (Minister of Justice): No, Sir. We will make an announcement in the House as soon as feasible.

Mr. Stanfield: In view of what I understood was the assurance given by the minister that a proposal would be put before the House in such a manner that it could be discussed, is the minister prepared to give the House an assurance that this matter will not be introduced and a conclusion forced upon the House before the expiry date of the Turner act on April 30?

Mr. Turner (Ottawa-Carleton): My assurance was given and it stands. As for the date of April 30, the hon. gentleman will have to wait and see.

Mr. Stanfield: I have a further supplementary question, Mr. Speaker. I should like to ask the minister why he cannot tell the House, or rather when he will tell the House, what action the government proposes to take and not simply stall and procrastinate on this important matter?

Mr. Speaker: Order, please. That is hardly a supplementary question.

Mr. Eldon M. Woolliams (Calgary North): My supplementary question is simple and straightforward, and I hope I will get the same kind of answer. Will the announcement the minister will be making be made before April 30 next?

Mr. Turner (Ottawa-Carleton): I cannot be categorical about that.

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—APPLICATION CRITERIA—EXPLANATION OF REFUSALS—INCREASE IN MONEY ALLOCATED

Mr. David Lewis (York South): I should like to address a question to the Prime Minister with regard to the student employment program about which he told the House some time ago. It arises out of a suspicion across the country about the criteria which have been used for the acceptance or refusal of proposals made to the Department of the Secretary of State. I should like to ask the Prime Minister whether he could take steps to make sure that those whose programs have been refused will receive a full explanation of the reasons for refusal and an elaborated idea of the criteria which are being used in judging these proposals?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the rumours on which the question is based are obviously wrong, because no program has either been accepted or refused as of this date. Obviously, in view of the figures which were given by the Secretary of State, we will have to refuse some of the proposals, and reasons will be given why they are refused.

Mr. Lewis: I am glad to stand corrected, Mr. Speaker, but will the Prime Minister or the Secretary of State assure the House that proposals which are made will be dealt with a great deal more rapidly, and that machinery for discussing the proposals will be made available to the people who have ideas instead of making them wait for weeks before they even receive an acknowledgement?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I can promise that, Mr. Speaker. That is at present the main goal we have in mind in the Secretary of State's Department for administration of the program.

[*English*]

Mr. Lewis: Although I have not had any time to look through all of *Hansard* in the last few weeks, as the minister will understand, I did look quickly through the statement he made last Thursday in which he pointed out that a large amount of money would be involved if he accepted all the programs, which seemed to me to be not very relevant. May I ask the Secretary of State—

Mr. Speaker: Order, please. Is the hon. member asking a supplementary question?

Mr. Lewis: Yes, Mr. Speaker. May I ask the Secretary of State whether the government is considering increasing the amount of money made available for the Opportunities for Youth program?

[*Translation*]

Mr. Pelletier: Yes, Mr. Speaker, the government is considering the matter.

[*English*]

OPPORTUNITIES FOR YOUTH PROGRAM—EXTENSION OF DEADLINE FOR COMPLETION OF PROJECTS

Mr. Mark Rose (Fraser Valley West): My question is for the Secretary of State. In view of the fact that there may be considerable delay, because of the number of applications under the Opportunities for Youth program, has the Secretary of State or the government considered extending the deadline for the completion of projects, since obviously some of them will not be starting as early as anticipated?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): That is a problem we have not faced yet, Mr. Speaker. After selection of projects and assessment of the time required for their implementation, we will get around to such considerations. I feel they are now premature. There are other more urgent problems.

[*English*]

OPPORTUNITIES FOR YOUTH PROGRAM—APPROVAL OF PROJECTS

Mr. W. B. Nesbitt (Oxford): I have a supplementary question for the right hon. Prime Minister. Some members on this side may have misunderstood the Prime Minister, so perhaps he might wish to clarify one of his

answers. Did the Prime Minister say that none of these projects has yet been approved?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker.

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

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Oxford and eventually the hon. member for Broadview, but after these two supplementary questions we will go on to the hon. member for Portneuf.

Mr. Nesbitt: In view of the Prime Minister's answer can he give the House the assurance that approval of these projects which are pending will commence immediately and not be delayed indefinitely?

Mr. Trudeau: We are expecting to do it by or before May 15.

TRAVELLING STUDENTS—SUGGESTED DELETION OF VAGRANCY SECTION FROM CRIMINAL CODE

Mr. John Gilbert (Broadview): My question is directed to the Minister of Justice. In view of the fact that many university students have completed their courses and will be travelling across Canada as a result of the summer youth projects, will the minister seriously consider deleting the vagrancy section from the Criminal Code so they will not be harassed in their travels?

Some hon. Members: Oh, oh!

* * *

[*Translation*]

FINANCE

LIMITATION OF FOREIGN BORROWING BY PROVINCIAL GOVERNMENTS

Mr. Roland Godin (Portneuf): Mr. Speaker, I have a question I wish to direct to the Minister of Finance.

Is he in a position to advise whether he has in recent days forwarded a letter to the provincial governments as well as to investment brokers asking them to restrict their bond sales and borrowings abroad?

[*English*]

Hon. E. J. Benson (Minister of Finance): What I have done has been to urge Canadian borrowers to borrow in Canada rather than abroad, and I have done this before. When the current account is in surplus and there is an inflow of long-term foreign capital, it means that large borrowings abroad place pressure on the upward movement of the Canadian dollar.

REPEGGING OF CANADIAN DOLLAR—FEDERAL-PROVINCIAL FINANCIAL AND FISCAL COMMITTEE

Mr. S. Perry Ryan (Spadina): In order to avoid further appreciation of the Canadian dollar, does the government now have a policy with regard to the dollar, and is there now an upper limit that the government will guarantee?

Hon. E. J. Benson (Minister of Finance): If the government is going to take a position with regard to re-establishing a fixed value for the Canadian dollar, it will be announced in the normal manner.

Mr. Ryan: Is the government considering the creation of a continuing joint federal-provincial financial and fiscal committee which would meet regularly, either monthly or quarterly, to co-ordinate borrowing and taxing policies?

Mr. Benson: If my hon. friend had been listening he would know that I have stated several times in the House that provincial treasurers and Ministers of Finance and the Minister of Finance of Canada have arranged to meet quarterly.

[*Translation*]

BANK OF CANADA—SUGGESTED PROVISION OF INTEREST-FREE LOANS

Mr. Speaker: Order. The hon. member for Portneuf wishes to ask a supplementary question.

Mr. Roland Godin (Portneuf): Mr. Speaker, would the Minister of Finance be willing to put the Bank of Canada at the service of all Canadians so they may be granted interest-free loans to be used to create capital for public investment purposes?

[*English*]

Hon. E. J. Benson (Minister of Finance): The Bank of Canada is at the service of all Canadians.

MINING COMPANIES CAPITAL REQUIREMENTS—ALLOCATION OF MONEY AVAILABLE FOR BORROWING IN CANADA

Mr. Max Saltsman (Waterloo): I have a supplementary question for the Minister of Finance. Has the minister given consideration to the fact that indications from mining companies are that there will be a 25.4 per cent increase in their capital requirements this year, and if those intentions are acted upon they will pre-empt other borrowings on the market? Has the minister, therefore, given any consideration to finding some way of allocating capital where it can be most usefully employed in the economy and thus reduce pressure on the Canadian dollar?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, in the past year the Canadian market has absorbed record amounts of long-term borrowing. There appears to be a good opportunity for borrowing in the Canadian market, and I have urged borrowers to use the Canadian market as much as possible.

Inquiries of the Ministry

AGRICULTURE

INTERPROVINCIAL MARKETING—FEDERAL INTERVENTION IN PROCEEDINGS BEFORE SUPREME COURT RESPECTING VALIDITY OF PROVINCIAL REGULATIONS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I would like to ask the very forthright Minister of Justice if he has instructed, or if the government has instructed, counsel to intervene in the litigation involving the validity of provincial regulations restricting interprovincial trade which were passed by the provinces of Quebec and Manitoba? Has he instructed counsel to appear and oppose the legality of those regulations?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, if the hon. member is talking about the appeal from the Court of Appeal of Manitoba on that type of legislation, the federal government will appear before the Supreme Court of Canada in that case.

Mr. Baldwin: Mr. Speaker, will the minister assure the House categorically now that the instructions which will be given to counsel will be to oppose the legality of these regulations, and not sit idly by and watch this problem in connection with national unity become worse?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I think the proper place for counsel to reveal his position on behalf of the Department of Justice is before the court.

Mr. Baldwin: On a further supplementary question, Mr. Speaker, I am asking the government to reveal its position.

Mr. R. E. McKinley (Huron): Mr. Speaker, I wish to direct a further supplementary question to the Minister of Justice. Can he advise the House how soon this appeal will be heard by the Supreme Court of Canada?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, as it is a very important case I imagine the Supreme Court would want to put it on the preferential list, but that is up to the court.

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COMMUNICATIONS

INCLUSION ON AGENDA OF JUNE FEDERAL-PROVINCIAL CONFERENCE IN LIGHT OF STATEMENT BY QUEBEC MINISTER

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Prime Minister. Can the Prime Minister say whether, in view of the statement of the Quebec Minister of Communications which one of the Prime Minister's own colleagues has termed rather flabbergasting, the subject of federal authority over communications will be a specific item on the agenda of the federal-provincial conference to be held in Victoria in June?

Right Hon. P. E. Trudeau (Prime Minister): There has been no request that the matter be put on the agenda, Mr. Speaker.

[Mr. Benson.]

Mr. Nowlan: Mr. Speaker, I direct a supplementary question to the Secretary of State. Has the Secretary of State, who speaks for the Canadian Radio-Television Commission, submitted a proposal to the Prime Minister that this matter be placed on the agenda of the federal-provincial conference in June in view of the extensive remarks which the Quebec Minister of Communications made last weekend, regardless of what he said the weekend before, which clearly challenge federal authority in this field?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, if the hon. member who has just spoken sees clearly what threats arise from these speeches and on which particular points and group of points the minister wants to instigate changes, I must admit that he has been able to consider the minister's statements for longer than I have or with greater concentration. Indeed, from one statement to the next, growing confusion persists regarding the minister's intentions, and that is why I, myself, have not been able to submit any clear proposal to the attention of the government.

[*English*]

Mr. Nowlan: Mr. Speaker, I wish to direct a further supplementary question to the Secretary of State. When the Secretary of State has time to translate the statement of the provincial Minister of Communications, or to talk to the federal Minister of Communications to find out what the Minister of Communications in Quebec is saying about this important matter, would he be prepared to make a statement in the House on the position of the federal government, prior to the federal-provincial conference, as to whether this matter is going to be discussed at that conference, or are we going to witness another example of the federal government abdicating its jurisdiction and responsibility as it has with agriculture?

Mr. Speaker: Order, please.

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LABOUR RELATIONS

DISPUTE BETWEEN HUDSON BAY MINING AND SMELTING COMPANY AND EMPLOYEES—DEPARTMENTAL ACTION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I wish to direct a question to the Minister of Labour. Can he say whether he or the officials of his department are taking any new steps to bring an end to the dispute at Flin Flon which has continued for so many months?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I had a chat late last week with the hon. member for Churchill, as well as with the Minister of Labour of Manitoba, about the prolonged strike at Flin Flon, and I am now contemplating the establishment of an industrial inquiry commission, if necessary, later in the week. At least, this is one of the areas I am now investigating.

ADMINISTRATION OF JUSTICE

USE OF ALL-ESKIMO JURY—SIMILAR PRACTICE IN TRIALS OF INDIANS

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is directed to the Minister of Justice. In view of the precedent recently set in the Northwest Territories concerning the appointment of an all-Eskimo jury in the trial of an Eskimo, so far as his authority allows him would the minister recommend a similar practice in cases of trials of people of Indian ancestry?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, a jury is selected according to the provisions of the Criminal Code.

* * *

UNEMPLOYMENT INSURANCE

QUEBEC OBJECTIONS TO BILL—REQUEST FOR STATEMENT PRIOR TO COMMITTEE CONSIDERATION

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Labour in connection with the unemployment insurance bill which has received second reading. In light of the fact the Minister of Labour of Quebec has indicated that he remains unwilling to accept some of the basic features of federal unemployment insurance, and since it is more than likely the minister held a meeting within the past week to discuss this matter, can he now advise if the objections which the provincial minister has taken in his emphatic stand have been cleared up, or is the standing committee of this House going to meet in a state of frustration, not knowing what that province or any other province wants?

Mr. Speaker: Order, please. I am sure the hon. member for Hamilton West will not mind my suggesting to him that the question he is asking deals with a matter which has been before the House and is now before a committee of the House. I would think that the question the hon. member has asked should better be resolved when the matter is before the committee or eventually when it is again before the House. Perhaps there may be an aspect of the matter which escapes me at the moment, but I would hope that the hon. member would not press the question.

Mr. Alexander: On a point of order, Mr. Speaker, and with all due deference, the matter happens to be quite important to me, and I think to all those of us on this side of the House, in view of the fact we have been continually told by the Minister of Labour that if there have been any objections by the provinces, and particularly by the province of Quebec, those objections have been met. It seems to me that the minister must make a statement prior to the time the standing committee meets in order to prevent frustration on the part of hon. members and in order that we may know just what are the problems raised by Quebec in connection with the bill. I think the House is entitled to a statement by the minister on motions prior to the bill being considered by the committee.

Mr. Speaker: Order, please. The Chair will allow the minister to reply briefly, but I still suggest to hon. members it is a basic rule of procedure that when a bill is before a standing committee of the House, or when a bill is under consideration in the House, no question should be asked about it during the question period. But I appreciate the point made by the hon. member, and the minister might be allowed to reply to it briefly.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I am quite satisfied that the bill falls within the jurisdiction of the federal government. Now that we have adopted the principle of the bill on second reading I presume all members of the House will understand that it is a federal bill, not a provincial bill. I am not certain what philosophical differences may still exist between the Minister of Labour for the province of Quebec and myself, or for that matter with other provinces, but I am satisfied that the bill is structurally sound, does not violate the constitution, and is an important and progressive piece of social legislation.

Mr. Speaker: Order, please. The reply given by the minister indicates exactly the difficulty which underlies the allowing of questions about a bill which has been before the House and has been given second reading, indicating that there has been approval by the House of the principle of the bill. In my view, it is a reflection on the vote of the House to be asking questions now about the matter which to my recollection were discussed when the bill was before the House for second reading.

I suggest to hon. members it is entirely out of order at this time to be debating matters which have already been considered by the House, particularly when they ought to be discussed either in the committee or on third reading of the bill. It seems to me that the point made by the hon. member now might well be made on third reading.

Mr. Alexander: On a point of order and with all due respect, Sir, in light of the fact the minister has just indicated by implication that there are differences of opinion and—I stand to be corrected—that he intends to ignore those differences of opinion inasmuch as this is federal legislation, is he now going to ignore the demands and the objections of the province of Quebec? If so, then I would think it all the more important that a statement should be made by the minister as to what those objections are.

Mr. Speaker: Order, please. I suggest to the hon. member that even if the minister wanted to make a statement now I would suggest to him that he would be out of order in making such a statement. I suggest to the hon. member that if we extend the question period by raising points of order we will not make much progress. The rules are made in such a way that when a member is not satisfied with a ruling made by the Chair on a question asked he has the right to suggest that the question be raised at the time of the adjournment. That is the recourse of the hon. member, not to raise the matter by way of a point of order.

Inquiries of the Ministry

INDIAN AFFAIRS

FUTURE USE OF FORMER COQUALEETZA HOSPITAL

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, I have a question for the Minister of National Health and Welfare. In view of the decision of the department of Indian and Eskimo affairs not to accept the Coqualeetza property in British Columbia for an Indian cultural and educational centre, can the minister say what plans his department now has for the disposal of this property?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I would advise the hon. member that the department is giving serious consideration to possible programs for renewed use of the property within the ambit of our own responsibility and for the benefit of the Indian people.

Mrs. MacInnis: Can the minister inform us when the decision will be made on the use to which this property is to be put?

Mr. Munro: Soon, I hope.

* * *

NATIONAL SECURITY

PROVISION OF OPPORTUNITY TO DEBATE ROYAL COMMISSION REPORT

Mr. Erik Nielsen (Yukon): Mr. Speaker, my question is directed to the Prime Minister. As more than a year has passed since the Prime Minister undertook to provide a day for debating the royal commission report on security, could he now indicate to the House when that debate might occur?

Right Hon. P. E. Trudeau (Prime Minister): I shall discuss this matter with the House leader, Mr. Speaker.

* * *

POLLUTION

OIL—EXTENT OF APPLICATION OF BRITISH LEGISLATION AUTHORIZING DESTRUCTION OF SHIPS

Mr. Louis-Roland Comeau (South Western Nova): I have a question for the Prime Minister, Mr. Speaker. In view of the fact that several countries protested to the Canadian government when the Canada Shipping Act was passed, can the Prime Minister state whether this government has protested the action of the British government recently in passing a bill dealing with oil pollution in which they proclaim their right to blow up vessels polluting their shores and even up to our own shores?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I shall take this question as notice.

[Mr. Speaker.]

VETERANS AFFAIRS

COMPULSORY TRANSFER FROM NON-TAXABLE WAR VETERANS ALLOWANCES TO TAXABLE GUARANTEED INCOME SUPPLEMENT—APPLICATION OF TAX RELIEF TO 1971

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, my question is directed to the Minister of Finance. In view of the hope that the Minister of Veterans Affairs has held out to veterans, especially those who are being forced to transfer from the non-taxable war veterans allowance to the taxable guaranteed income supplement, that something will be done this year to relieve their tax position, can the Minister of Finance give the assurance that any changes affecting the position of these veterans will apply to the year 1971?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I cannot indicate in advance in the House what the position of the government will be with respect to tax measures.

* * *

[*Translation*]

BROADCASTING

QUEBEC—REPRESENTATIONS RESPECTING PROGRAMS OF RADIO-CANADA AND CTV-QUEBEC

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I should like to put a question to the Secretary of State.

In a news bulletin over the weekend, it was reported that the Quebec Minister of Communications requests, for the province, an advisory role in the programming of CBC and CTV-Quebec broadcasts. Can he tell us whether official representations have been made to him by the Minister of Communications in this regard?

Hon. Gérard Pelletier (Secretary of State): No, Mr. Speaker.

* * *

[*English*]

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—EFFECT OF STATEMENT BY LEADER OF THE OPPOSITION

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, my question is directed to the Prime Minister. In view of the most welcome recent statement in Vancouver by the Leader of the Opposition on the tanker route problem on the west coast, which in effect repudiates the efforts of the Conservative House leader on March 18 to scuttle the efforts of Members of Parliament to examine the question in detail, may I ask the Prime Minister whether he has decided to follow suit and, in turn, repudiate the government House leader's misguided support of his Conservative colleague's action?

Mr. Speaker: Order, please. I would point out to the hon. member that this question is more in the form of an argument.

VETERANS AFFAIRS

LANCASTER HOSPITAL—MAINTENANCE OF SERVICE AND STANDARDS

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I have a question for the Minister of Veterans Affairs in connection with the Lancaster veterans hospital in New Brunswick. Can the minister give every assurance that there will not be a downgrading of service in this institution and that standards will remain at exactly the same level whether or not the final takeover comes about?

Hon. Jean-Eudes Dubé (Minister of Veterans Affairs): Mr. Speaker, our paramount consideration is the good care of veterans. We will always try to do our utmost to make sure they get the best possible health care available at the hospital and in the area.

* * *

FINANCE

SUGGESTED REDUCTION OF INTEREST RATES TO LOWER DOLLAR EXCHANGE LEVEL AND ENCOURAGE EMPLOYMENT OPPORTUNITIES

Mr. Max Saltsman (Waterloo): Mr. Speaker, I should like to ask a question arising out of an earlier question to the Minister of Finance regarding the curbing of foreign borrowing. Since the minister is justifiably concerned about the loss of jobs that will accrue to Canada unless we reduce the exchange level of our dollar, is he considering the reduction of interest rates or urging that interest rates be reduced in order to bring down the value of the dollar and encourage employment opportunities in Canada?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, if my hon. friend takes a look he will find that short-term interest rates in Canada are lower than in the United States and our interest rates in the long term are very competitive with the United States.

Mr. Saltsman: Mr. Speaker, I appreciate the minister's explanation and I should like to ask him whether he is considering reducing interest rates even further because of the enormous amount of unemployment in Canada?

DISPROPORTIONATE PROVINCIAL AND MUNICIPAL COST OF BORROWING—COMPENSATION THROUGH FEDERAL BUDGET OR TAX CHANGES

Mr. S. Perry Ryan (Spadina): A supplementary question, Mr. Speaker. Has the government reciprocated with the provinces on foreign borrowings by assuring the provinces that any budget changes or tax amendments will compensate for the disproportionate costs of provincial and municipal debt financing compared with those of the federal government?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the question is very involved and I think I need to read it. I really could not understand what my hon. friend was getting at.

Mr. Ryan: Would the minister take the question as notice, Mr. Speaker?

INFLATION—PROPOSED INCREASE IN POSTAL RATES—GOVERNMENT POLICY

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I should like to direct a question to the Minister of Finance. Having in mind the minister's oft-repeated urgings that we try to do everything to combat inflation, is the Postmaster General reflecting government policy by indicating a further substantial increase in the basic postal rates?

Mr. Speaker: Order, please. The hon. member knows that the question cannot be asked in this way or in those terms. Orders of the day.

• (3:30 p.m.)

GOVERNMENT ORDERS

YUKON MINERALS ACT

ADMINISTRATION, ACQUISITION AND RECORDING OF CLAIMS, ETC.

The House resumed, from Friday, April 23, consideration of the motion of Mr. Chrétien that Bill C-187, respecting minerals in the Yukon Territory, be read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, at the conclusion of Friday's sitting I had elaborated at some length on the bureaucracy being set up by this government with respect to this act. I do not have very much more to say, except that I will continually ask for recognition of the legitimate demands of our native people. I would also impress upon the government, and particularly the minister responsible in this area, that the continual procrastination, bypassing and paternalistic attitude as well as undue complacency regarding our native people is not only an attitude which is morally wrong but one which exhibits a surprising unawareness on the part of government of a very specific situation vis-à-vis our native people. It seems to me that for some time the native people have not been brought into the decision-making process to any significant degree and, accordingly and I would say of necessity, they are left with the impression that they are not needed nor are their thoughts of any importance or consequence with respect to government decisions that may affect their lives.

I shall recap and reiterate, Mr. Speaker, the four main objectives that have been set forth at some great length by the member for the Yukon (Mr. Nielsen) and the member for Churchill (Mr. Simpson). The lack of judicial appeal, as far as this act is concerned, and the legislation by regulation seem to me and others on this side of the House to lead only to absolute control which will result in stifling the viability of economic prospects for the mining industry of the Yukon.

Another factor of some concern is the extension of appointments to the bureaucracy. I listed them the other day, and they range from the supervising mining recorder, the engineers of mines, to deputy mining recorder and so forth. Last but not least, is the situation regarding the royalties vis-à-vis mining companies. The interest of the native peoples in this regard is of paramount interest and of considerable concern to members of this House.

Accordingly, I move, seconded by the hon. member for Norfolk-Haldimand (Mr. Knowles):

That all the words after "that" be struck out and the following substituted therefor:

"inasmuch as this House opposes the principle of a bill which provides for the payment of royalties accruing from the sale of mineral rights into the general revenues of the Consolidated Revenue Fund whereby such revenues may be appropriated for purposes to be recommended by His Excellency the Governor General and which bill is not accompanied by a Message from His Excellency recommending that such royalties be subject to a trust or lien in respect of the land claims of the Indian tribes in the Yukon territory, this House resolves that this bill be not now read a second time but that the Standing Committee on Indian Affairs and Northern Development prepare an humble address of this House to His Excellency praying that he be pleased to recommend the appropriation of a proportion of all royalties received from the sale of mineral rights in the Yukon territory in partial settlement of Canada's undertaking that the land claims of the Indian tribes in the Yukon territory would be settled in conformity with equitable principles, as by reference to the *Journals* of this House for 1867 will more fully appear.

Mr. Speaker: Order, please. In a moment the Chair will look a little more closely at the amendment that has been proposed by the hon. member for Hamilton West. As it has been read by the hon. member I have very serious reservations, indeed most serious reservations, about whether it is acceptable from the procedural standpoint. However, I stand to be corrected and would be pleased to listen to arguments in this regard.

When a similar amendment was made last week by an hon. member to my left, the matter was considered and there was a lengthy procedural argument. I thought it was a very interesting argument and I would be delighted to have it renewed at this time.

Mr. Nielsen: Mr. Speaker, Your Honour will recall that last week you ruled an amendment that was almost on all fours with this one out of order principally because Your Honour felt that the amendment did not oppose the principle of the bill. The amendment that is being put forward at this time, it will be noted, clearly stipulates that the House does oppose the principle of the bill. The remainder of the arguments, which I shall not reiterate, with respect to the procedural correctness of the amendment as presented last week apply with equal force to the acceptability of this amendment.

Your Honour's objection to the acceptability of the amendment moved last week having been met by the clear statement that this amendment does oppose the principle of the bill, I suggest this amendment is now acceptable.

Mr. MacEachen: Mr. Speaker, I have one or two very brief comments to make on the amendment moved by the hon. member. My first point is that, as is evident to all members, opposition to the principle of a bill can be registered in the most direct way by voting against the bill. Merely to say in an amendment that the House opposes the principle of the bill is not in any way to construct a principle that is, in itself, antithetical or opposed to the principle of the bill. Therefore I do not believe that the hon. member has saved himself by adding, as the preliminary words of the amendment, the words "inasmuch as this House opposes the principle of a bill". This objective can be attained by a straight vote against the bill.

The second point I would make is that it proposes some unusual procedure by which a standing committee will be asked to propose to His Excellency that he recommend to the House the appropriation of funds. Usually, the royal recommendation is induced by the recommendation of His Excellency's advisers. So, this presents a logical difficulty to my mind.

Mr. Nielsen: It has been done before.

Mr. MacEachen: In addition, it seems to me that if the hon. member's purpose is to attain certain objectives with respect to the distribution of revenues that are to be collected as a result of the payment of royalties, the place for him to tackle that problem, with whatever ingenuity he can muster within the procedure, is when we deal with the clauses in the standing committee. He will then be in a position to move an amendment, if he can find one that will bring about this particular purpose, though there again I think he will be stopped by the exercise of the royal recommendation which can only be induced by His Excellency's advisers.

I commend the hon. member for his ingenuity in framing the motion. It seems to be so ingenious that it does not fit within any of the normal procedures that we follow in this House.

Mr. Speaker: May I thank the hon. member for Yukon and the President of the Privy Council for their learned and illuminating comments. The problem with the amendment now proposed by the hon. member for Hamilton West is that it is so unusual it is difficult for one to put one's finger exactly on what is wrong with it.

My feeling is that a number of things are wrong with it. The point raised by the President of the Privy Council is interesting; his proposition is that you cannot do indirectly what you can do directly. I have very serious reservations whether, if this motion were proposed in any way other than the way now proposed by the hon. member for Hamilton West, it could be accepted. It would clearly go against the financial reservations and prerogatives of the Crown, and in this regard I doubt that it would be acceptable.

That is not really my main objection to the motion. It seems to me that basically the motion is a substantive one. The hon. member suggests that all of the difficulties have been overcome by the initial words of the amendment "inasmuch as this House opposes the principle of the bill which provides for the payment of royalties" and so on. The hon. member suggests that the inclusion of this statement in the amendment automatically makes it

an amendment that ought to be accepted as a reasoned amendment.

There are other considerations. This difficulty having been cured, I think there is another difficulty that has not been cured, and it is that this is a substantive proposition. Last week I refused to rule on the question whether the amendment then proposed, which of course was not the same as this one, was within the four corners of the matter before the House, and whether it was relevant. I suggested at the time that I was not sufficiently familiar with all the details of the bill to be able to decide whether the amendment as proposed was relevant to the bill before us.

I would not hesitate to say at the moment that as it stands this proposition goes beyond the terms of the bill before us. It is in itself a substantive motion, and as such I do not think it can be proposed as a reasoned amendment. The Chair suggested last week that it ought to be possible for hon. members to introduce a reasoned amendment that would be acceptable to the Chair. This appeared to be extremely difficult, but because the Chair has ruled two out of order I felt that perhaps I should be as lenient as possible in interpreting the amendment which has been submitted at this time. Taking all these considerations into account, as well as my desire to be helpful and to allow hon. members to move a reasoned amendment which would be acceptable from a procedural standpoint, I do not see how this particular amendment can be accepted for the reasons which I have just stated.

• (3:40 p.m.)

Mr. Mark Rose (Fraser Valley West): I am not questioning Your Honour's ruling, but I am sorry that the amendment, which demonstrates the concern which I would like to mention in a little greater detail later, was not acceptable to the Chair. As the title suggests, there is too much emphasis in the bill on the exploitation of the mineral resources of the Yukon, and it is not enough concerned with the effects of this exploitation and exploration on the native people who live there. I hope some hon. members will get their heads together and come up with an amendment acceptable to the Chair which will cover this crucial point.

I will now go on to what I had intended to say about this particular bill. As the title suggests, and as I suggested earlier, this is an act respecting minerals in the Yukon territories. I wish to emphasize the word "minerals". This bill deals mainly with and is concerned about a single resource in the Canadian north, minerals. As would be imagined, the bill bristles with mining terms such as claims, mining recorders, surveys, etc. In my view that is exactly what is wrong with it. It chooses to focus on the exploratory aspect of northern development and virtually ignores any other human aspect.

Instead of a comprehensive balanced approach to total resource development and management, Bill C-187 continues a single purpose type of policy. This policy might best be capsualized in terms of "Let's raid the cookie jar; Let's do it now while no one is looking and to hell with the ecological consequences." Who was responsible for this panic to poke holes in the tundra all over northern Canada? What is the great rush, when at this moment we scarcely know the extent of the resources there? We know little about the legacy of what might prove to be a precipitous and irresponsible move. Are we so greedy that we ignore vertically everything learned from our mistakes in more temperate climates? We have mercury laden lakes and rivers and the depletion of fish off both coasts. Have we not learned from these experiences that caution is needed when dealing with northern development, where the ecology is much more sensitive and much less capable of regeneration than that of the temperate zones?

We have violated our renewable resources to such an extent that they may take years to rehabilitate. I speak of such resources as fisheries and forestry. Having raped our renewable resources, we should exercise a tremendously greater caution when dealing with nonrenewable resources and an ecology that is probably less capable of regeneration than that of the more temperate zones.

I wish to return to my earlier concern for a balanced, multiple use of public lands or what might be described as a more rational approach to northern development. Bill C-187 expresses relatively little concern for the native people. It does not express a great deal more concern for the sensitive plant and animal communities of that very important part of Canada. At the risk of fatiguing hon. members, I wish to quote extensively from an editorial entitled "Our Vulnerable North" which appeared in the Saturday, April 10 edition of the *Globe and Mail*. The editorial quotes a Department of Northern Affairs official, Dr. Naysmith, who put forward his case. He did not argue against northern development. He is speaking of oil and gas exploration and pipelines. I quote:

> Most wisely, he presents his case of the imagination of Canadians through the impact which development could have on a particular group,—
>
> —the Old Crow Indians who have sustained themselves in a certain area from time out of mind, without impairing its ecological balance. There are about 150 of them. Caribou is their main source of food and clothing; they take about 500 a year. They also fish and trap for furs. On the basis of a hunting and trapping economy the annual return to the Old Crow Indians averages out at around $70,000.
>
> What would development yield them? Discussions with geophysical exploration companies—

I will paraphrase here. The editorial indicates that in a five year period the total would be approximately $120,000. The editorial continues:

> The pipeline companies estimated that the maintenance of a pipeline could employ approximately five Old Crow Indians at an annual wage of $7,000, which over 20 years would mean $700,000.
>
> The total industrial gains to the Old Crow Indians, from both sources, would therefore in 20 years amount to $820,000,—

This is the important point:

> —whereas by following their own mode of life they would earn the equivalent of $1,400,000, and it would be spread through the whole community and not just handed to a few.
>
> Development without the proper protections could, according to Mr. Naysmith, reduce the value of the land in terms of a

hunting and trapping economy to zero. "On the other hand," he writes, "rigid regulatory control of land-use operations could maintain the value of the habitat at the full $1,400,000."

The article is rather lengthy, so I will not continue with it but it indicates the kind of cost-benefit concern we have to highlight. This is exactly what the amendment proposed a few moments ago was attempting to get at. The Naysmith editorial dealt only with oil and gas exploration, but we know there are other groups of companies involved in other kinds of exploration—minerals, for examples. We know also that there are native people in northern Canada, other than the Old Crow Indians, used in my example who are affected.

The statement in the editorial is indicative of what can happen to one group of people. It is but an example. We can read more into it than that if we remember that nearly 50 per cent of the people living in northern Canada are native people.

If one did not learn from reading the bill, a tip-off as to who is really calling the shots on northern development could be obtained from a press release from the minister's office datelined Whitehorse, February 27, 1971. I quote from page 1 of the press release:

Proposed Land-Use Regulations—

By the way, we have not seen these land-use regulations.

Mr. Nielsen: We have.

Mr. Rose: I have not seen these land-use regulations.

• (3:50 p.m.)

Mr. Nielsen: Which version?

Mr. Rose: I had intended to make that point later. Will these land use regulations be made public by press release or will they be tabled in the House of Commons?

Mr. Nielsen: The press release version, I expect.

Mr. Rose: There will probably be many versions before we are through. It should not be forgotten that the success of this bill depends to a great extent on the nature of these land use regulations. If the regulations are amorphous or ambiguous, the situation is all the more frightening. Anyway, before I was assisted by the hon. member for Yukon (Mr. Nielsen), I was about to quote from the minister's press release. The hon. gentleman says that regulations for the Yukon have caused concern in the territory. He does not tell us where this concern originated. He added that these regulations were still subject to discussion between government representatives, the mining industry and some of the other interested people. I hope "some of the other interested people" are natives. That is what the minister said on February 27. The communique went on to state:

The minister gave this assurance following representations made last week by the mining industry which feels that the regulations in their present form would inhibit development of the Yukon.

An hon. Member: Isn't that awful?

[Mr. Rose.]

Mr. Rose: That is interesting, because there is likely to be a polarity of opinion, a dichotomy of view as between those who owe allegiance to shareholders and those who are concerned about the ecology of the north and the wellbeing of the native people. We would like to know on whose side the minister is. The communique continues:

The minister said he wanted to assure the people of the Yukon and the Yukon Chamber of Mines that there would be adequate provision for appeal—

So, these people will be able to appeal. Will there be adequate provision for appeal by the native people when their traplines are desecrated and their herds made extinct? That is what we should like to know. This is the most important issue before us now. It is obvious the mining companies have "got to" the minister, those who want to go to the north, make a profit, and get out as fast as possible. Are only they to be given adequate opportunity for appeal?

—where discretionary powers were exercised in a quasi-judicial manner; the need for other discretionary powers would be carefully reviewed and regulations pursuant to the act would be introduced only after thorough discussion and after adequate notice had been given to the mining industry and the general public of the Yukon.

That press release was sent out in February, and it is relatively old. In any event, it is not particularly reassuring. I think we should understand perfectly clearly who it is the minister wants to reassure. Is it the Indians? Is it the Eskimo who have lived for centuries in the north? Is it the tourist camp operators who look upon the north, its flora and wildlife as worth preserving? Or is the minister thinking of those who consider the north only as a storehouse, as a resource package to be exploited? I submit that those the minister wants to reassure are the mining and exploration companies and their satellites, the businessmen, the subcontractors, the whites who want to go into the north, make a killing and get out as fast as possible. An examination of the cemeteries of the north would reveal that most whites go south to die.

Mr. Chrétien: It is no longer so. You have not been there for a long time, if ever. That is evident.

Mr. Rose: I have not been there since the minister has been to Texas.

These are the people the minister wants to reassure. They are a powerful and well-financed lobby and I think they will do their best to destroy even the puny environmental regulations for which provision is made in the bill. This is what frightens us. If we can mount as powerful and persuasive a lobby from this side of the House, so much the better.

A few weeks ago the CBC aired an excellent documentary on the north. It was called "A White Paper on the North" and in my opinion it should be required viewing in every school and college in Canada. I say this because unless we wake up very soon, the north will be dominated by the explorers and the exploiters whose depredations—and this is the view of many well-informed people —will destroy a part of Canada which is so sensitive as to be incapable of ecological regeneration within a reasonable time.

People who know most about this subject belong to a special branch of science called boreal biology. They tell us that special techniques and attitudes are necessary in the north. I am sure the Department of Northern Development has specialists in this field on its staff. What I am not so sure about is whether anyone listens to their advice. They might help write the press releases, handle the public relations, but are they listened to when the decisions are made? Why is the ecology of the north so sensitive? A brief review might be worth while. First, the low energy budget of northern ecosystems; for example, scars made by tracked vehicles are virtually permanent. Second, the factor of permafrost; once the insulation has been removed, the subsurface softens, contributing to the permanency of the scarring. Dr. Pruitt, who is an outstanding boreal biologist, has commented on this subject and I believe his observations are worthy of notice. He was called upon to assist the department in connection with these studies, but I am uncertain whether or not his recommendations were accepted.

Mr. Chrétien: Some, yes.

Mr. Rose: I am not sure that all the recommendations were accepted, particularly those which would ensure that the dangers about which we are talking would be avoided.

Mr. Chrétien: The hon. member saw over the weekend that there are two sides to a question.

Mr. Benjamin: Yes, but the mining companies' side always comes up.

Mr. Rose: Dr. Pruitt does not want development in the north to be stopped. He wants assurance that the north will remain as unspoiled as possible, consistent with reasonable development. He wants reasonable care to be taken. Writing in the CSRS newsletter, he says:

> The regulations due to be presented are ecologically unsound and philosophically naïve... They will not stop the single resource concept, the one-resource concern of the federal government.

He goes on to make some suggestions. In his view, the proposed regulations would limit the multiple use of all resources. He specified some of the restrictions which should be imposed. For instance, tracked vehicles should not exceed a ground pressure of 70 pounds per square inch.

• (4:00 p.m.)

He also recommends the burning of all trash, or the burying of all trash, including oil barrels, of the unburnable type. He suggests that all exploration information be pooled in order that the results may be available to everyone without repeating exploration which would result in the digging of holes all over the Arctic. Regulations should require that all camps be equipped with incinerators for the burning of garbage. Dr. Pruitt would prohibit vehicle travel in streams, except by canoes or airboats. Camp operations would be prohibited in caribou fawning or rutting areas during certain times of the year and camps should be fenced. He refers to many other things and in general is very critical about the proposed regulations. He also suggests more and larger land management zones. The point should be made also that land management zones represent a very small fraction of the total land area of the north.

Dr. Pruitt concludes his CSRS newsletter article by saying:

> Thus we see that the problem resolves itself into three parts: (a) the absolute necessity of having regulations and stipulations that ensure the survival of the entire ecosystem; in other words, regulations based on the hard facts of boreal ecology, not on economic expediency.
>
> (b) The necessity of covering all the NWT and YT with regulations designed for each ecological zone; and
>
> (c) the necessity of a performance bond to be posted for each operator or permitee.

A pretty strong case therefore has been made about the possible dangers of ecological damage. It should be emphasized too, that we are not against development, but rather development without proper regard for the possible consequences.

Now, let me refer to something a little more specific in relation to this bill. There are probably two main areas of contention. One area concerns commonlaw rights, rights of entry, restrictions on claim staking, protection and compensation for holders of surface rights who have been infringed upon by the mining industry, most of which are historically occupied by native people. The main point is the degree to which the mining industry has control over the public lands. Where can one not explore? You cannot explore in townsites, but how many townsites are there in the Yukon? You cannot explore in national parks in the Yukon. Where are the national parks in the Yukon?

Mr. Nielsen: Ask the minister.

Mr. Rose: You cannot explore in cemeteries, but everywhere else you can explore. These are not very restrictive exploration limits.

The second point of contention deals with regulations for the proper use of land once a claim has been entered. I think it is fair to say that the Territorial Land Act of 1952 did not cover well enough the area of protection and control of exploitation and development. The amendments in this bill refer to land use regulations which are still in draft form. I have not received any real assurance to the contrary. This is vital because a great deal of the environmental provisions for land use written into Bill C-187 are contingent upon land use regulations.

The bill of course represents an improvement over what we have had up until now, the Yukon Quartz Mining Act, but there is a great deal more which must be done. Land use regulations, in my opinion, will be formed in two parts. There will be general land use regulations concerning the whole, of the territorial lands and there will be rules for special zones to be set aside known as land management zones. As I understand it, the second part of the regulations in respect of land management zones will be more specific and effective. However, the point is that virtually none of the Yukon mineral

areas will be part of the land management zones. I think this indicates something unhealthy about the legislation.

When we were discussing the government reorganizational bill we learned to our horror that the minister of environment was not going to be responsible for the environment or pollution in the Northwest Territories. This responsibility will reside mainly with the Minister of Indian Affairs and Northern Development (Mr. Chrétien). When we in this party spoke about that part of the reorganizational bill which deals with the environment, we insisted that the minister of environment should have his authority extended to cover the land part of Canada, if not the sea. Under this bill, decisions concerning the environment will be largely in the hands of mining appointees and engineers. The hon. member for Hamilton West (Mr. Alexander) made this point when he talked about the bureaucracy associated with these decisions. These mining appointees will probably not have sufficient guidelines spelled out and will operate largely on the basis of personal opinion.

Presumably the first part of these land use regulations, which none of us has seen, will be designed by mining engineers. Are mining engineers really capable of making judgments involving boreal ecological matters? If we leave the protection of our public lands in the hands of these mining engineers, it is essential that they clearly state their intentions. It must be clearly stated what the authority of these engineers is, the regulations they must follow and the extent to which they can go. We must remember that a mining engineer is also responsible for the construction of roads and airstrips. It is not only an exploration site which is subject to destruction, but also the access area to those sites. There is nothing to prevent exploration companies from building roads all over the north.

Mr. Nielsen: Or prospectors going in with hobnail boots.

Mr. Rose: That is right, destroying the tundra. That is a possibility and the hon. member for Yukon (Mr. Nielsen) makes light of this. He should not be facetious about something so essential to the future of human life on this planet. People who are sensitive about ecological matters are often considered to be softheaded and sentimental.

We realize there must be a considerable amount of initiative, exploration and development in order to provide any kind of full employment or an economic base in Canada. We do not argue that point. The argument being made here is that we must do this with the least disruption possible. We must remember that about 60 per cent of the mines in the Yukon are owned by United States citizens and that about 60 per cent of production is exported. Why are we doing this? We must make up our minds.

An hon. Member: How much longer?

Mr. Rose: I have not very much time left. Let me say I do not believe a mining engineer should have jurisdiction beyond areas included in mining claims. We require specialists in ecology. There is a profound risk that public lands in Canada, owned by all the people, might be exploited by being subject to single purpose uses. The people of Canada are subsidizing much of the activity in the north.

Mr. Nielsen: And in the provinces.

Mr. Rose: The north is not generating this activity for the benefit of the rest of the people.

Let me conclude by summarizing some of the things I have stated. I do not speak for other members of my party in this regard, but I personally object to the single resources concept, and that is what this bill is. I object to the fact that the Yukon Territory does not come within the authority of the minister of environment. We are concerned because there is lack of appreciation for aboriginal rights. We are concerned because the land use regulations are still to be published in final form. We are concerned because the land management zones are entirely above the 65th parallel where litte exploratory work is being done. We are concerned that the mining engineer will have jurisdiction over all the land. What competence has he? We would hope to have the multiple use concept recognized if the regulations were passed immediately in the light of what we know about boreal ecology. I should like to see all the Northwest Territories and the Yukon Territory covered by the legislation. I should also like to see a performance bond for each operator.

• (4:10 p.m.)

In conclusion, I wish to make a cyclical reference to my introductory concern about the native people, the Indians, Eskimos and the Métis who make up 45 per cent of the population, but only 4 per cent of whom are employed in the Yukon. I would hope we would do everything possible to see that the rights of the native people are assured and that there is compensation for those people who live in the historical lands which have been violated. I would also hope we would exercise every possible concern for orderly development in respect of the vital and sensitive ecology.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to make a few comments in respect of this bill. I assure members of the House that I do not do so on the basis of having all the answers about the north or that I have become an expert on the subject. A few days ago the Minister of Energy, Mines and Resources (Mr. Greene) admitted quite bluntly that during the negotiations for the sale of Home Oil, he was constantly skating on thin ice because of the absence of a government policy on the whole question of foreign investment in Canada. I suggest the same sort of thing applies to the present bill. It is another example of the government moving or trying to move in this delicate area without first having adopted, or perhaps even considered, any integrated policy in respect of foreign investment or even northern development. It is another example of the piecemeal type of operation we have so often criticized in the past. Not only is there no integrated investment or development policy, because these are aspects of the same thing, but neither is there a policy in

respect of native rights, as previous speakers have indicated. Yet this bill attempts, in a vague way, to deal with both, and with matters of ecology, which is another field in which general policy is still non-existent.

Surely, this is no way to proceed with regard to a serious matter. It is no way to write a bill on a serious subject. In granting a wide range of discretionary powers to officialdom while at the same time doing away with the right of appeal to the courts from their decisions, in many instances the government seems again to be abdicating its responsibility in this matter. I say that, while the government may be content to do that, I do not believe Parliament will look very kindly upon that kind of abdication. The simple but sad fact is that in the realm of mineral exploitation, as in so many areas with this government, we are constantly faced by uncertainty and confusion. Policies, whether for the short-term or long run, are noticeable only for their vagueness and any knowledge is notable only by its absence.

I know a little whereof I speak because I have just returned from another part of the north, places where the closely related issues of mining and development are of vital importance not only to business and governments but above all to the people who live there. Both in the State of Alaska and in the province of British Columbia, I found great evidence of uncertainty and ignorance. The people there certainly were very uncertain concerning the intentions of the Canadian government, and it was quite obvious that the government of Canada was quite ignorant about what will be happening in Alaska that will affect the future development of our own north as well as the coast of British Columbia.

There is no question but that what is going on in Alaska today is important with regard to the future development of the Yukon, our own North, and the type of issue that is raised by this bill. In Alaska, of course, the pipeline project has not received final approval and we are not, in respect of this bill, talking about the movement of oil. We are considering, however, the question of development of the Yukon. Even the mineral development may very well involve questions such as pipelines and their feasibility. Here we have next door to us in Alaska a large project in respect of which feasibility studies are well under way, where the route has been surveyed and where experiments have been under way concerning different aspects of the project, such as how pipe may be laid in permafrost and other problems related to permafrost.

In the face of all this, and the fact that Canada itself may very well be involved in a pipeline before long, this government apparently has chosen, if not to ignore the activities in Alaska, at least to not place an observer on the spot which would have been very easy to do. The government has chosen not to follow the problems arising from the whole problem, the solutions made or required, and the diffculties which are foreseen. The government of Canada has made arrangements for the exchange of information with regard to the north with the USSR, and I fully approve of that. But here right next door to us a feasibility study is being carried on which, in many respects, is of first importance to our own country, but so far as I can find out the government of Canada is not closely following this development. Observers have not been there. This, after all, would have called for some spirit of initiative and some practical imagination on the part of the government but here, as in so many other places, neither has been forthcoming.

This is not the time for me to speak about the oil situation or the movement of oil, except to say that the evidence of ignorance on the part of the government of Canada and its callousness in respect of what may be happening is almost overwhelming. Here, in terms of the oil business—I am interested in this because the same industry is involved to some extent in both areas—we have conflicting statements concerning what the government of Canada would like to see happen. We have the government of Canada going around in circles and behaving like a windmill. I only hope the government of Canada and its officials know more about the development of minerals in the north, and the environmental problems associated with this, than it knows about the problems involved in the movement of oil and the effect which the plans people are making will have upon our own country. I only hope that somehow or other this government and the department concerned are more knowledgeable with regard to the subject of this bill than they are with regard to the general subject of minerals, but I am afraid I really cannot have such confidence.

• (4:20 p.m.)

We do not know in this country whether the many possible developments are practical in economic terms or desirable in terms of the physical environment of the areas, and we do not know how we should proceed. We are certainly not using our opportunities to find out. In other words, we seem to have the worst of both worlds so far as the government is concerned. The government has been sitting by, doing little on its own. I recognize that there have been experiments, that some research has been going on in Inuvik and perhaps some other places. We certainly have not been trying to find out what has been going on just outside our borders or what effect this may have on us. Even though others have been vigorously conducting their studies and spending millions of dollars in the process, we have not even taken the trouble to look at what they have been doing and how they have been doing it.

The same thing applies to another vital aspect of northern development, and others have referred to it. I am referring here to the question of native rights, the rights of Indian and Eskimo peoples whose land and lives have already been so severely affected by the coming of our civilization to their part of the world,—if we want to speak of it as civilization—and to whom we have a responsibility. Even if someone wanted to ignore the human aspect of the native rights and consider only the legal problems, it is surely clear that one of the problems that the development of Alaska, for example, has run into is precisely the issue of the rights of the native people. It is very clear to the Alaskans that a settlement of the native rights question is essential before any real

development can go forward. There has been at least a searching for a solution and, I think, one could say an honest approach toward a solution.

In our northwest we seem to be far behind and we can expect to pay the price for what once again is a lack of initiative and imagination on the part of this government. Even if one wanted to ignore the human aspects of the problem, there are many ways in which the question of native rights can be involved in the mineral and other development of the Yukon and of our north. I say that this absence of policy and this government confusion goes far beyond the north and the northwest. It extends right down the coast of British Columbia, and it goes along with what seems to be an uncaring ignorance of the prospects of environmental damage that are associated with such matters as the tanker route from Alaska to the U.S. west coast ports. This is not the time to develop this theme. I mention it simply as an indication of the ignorance of this government and what seems to be its indifference to matters of such importance in an area similar to the area considered by this bill.

Mr. Nielsen: Shameful neglect.

Mr. Stanfield: The further north one goes the greater is the danger to the coast of British Columbia and the greater the need for Canadian intervention in the whole question of oil transportation. I say that this government—in that area at least, and I am afraid of this—seems content to bask in its own ignorance and to pretend that a problem does not exist if you simply ignore it. In northern development, just as in the related problem of the environment of the west coast, this government has been guilty of dereliction of duty.

Mr. Deputy Speaker: Order, please. I regret to interrupt the Leader of the Opposition (Mr. Stanfield), and I do so with great reluctance, but it does seem to me that a great deal of his speech has been devoted to the development of oil transportation and the exploration for oil. May I point out with respect that I have some difficulty in relating that directly to the bill and I would ask the Leader of the Opposition with respect to relate his remarks to the bill.

Mr. Stanfield: I respect your views, Mr. Speaker. I thought I was being careful to make clear the relevance of the point I was making to this bill, that is that questions of transportation, for example, and questions relating to native rights having been clearly ignored, obviously these other areas are equally relevant in connection with the bill that we are considering.

Some hon. Members: Hear, hear!

Mr. Stanfield: I was relating in particular the question of pipelines to this bill because it would not stretch one's imagination to consider the possibility of pipelines being used to transport solid fuels and minerals generally, in addition to oil or gas. But I want to emphasize in particular the recognition of native rights, which must be relevant to this bill whatever view one takes of it. The government has achieved nothing but continuing and growing tension. If we as a Parliament are to show our concern about the technical and human problems involved we have only one choice, that is to adopt the position advocated by the hon. member for Yukon (Mr. Nielsen) and to force the government to adopt some acceptable long term policies before going ahead with this slipshod and dangerous legislation.

[Mr. Stanfield.]

Mr. Stan Schumacher (Palliser): Mr. Speaker, there are a number of features of Bill C-187, the Yukon Minerals Act, which disturb me greatly, and chief amongst them is the excessive amount of discretionary powers which will be vested in appointed officials of the public service in the administration of this act. The dangers of these powers, quite aside from them being discretionary, lie in the fact that appeals to independent judicial bodies from decisions made under them do not exist.

Over 40 years ago the Right Hon. Lord Hewart of Bury, Lord Chief Justice of England, wrote an incisive and still timely work called "The New Despotism". One of the chapters in his book is entitled "Administrative Lawlessness", from which I would like to quote the following passage:

> Will anybody at this time of day deny that it is essential to the proper administration of justice that the decision should be based on evidence, and that the evidence should be heard in the presence of both parties, who are given the opportunity of cross examination? Evidence not tested by cross examination is nearly always misleading and practically valueless. The public official, as had been observed, may, and often does, decide without any evidence at all, and he may act on ex parte statements, made by one party without anything to support them, which are never brought to the knowledge of the other party. so that he has no opportunity to contravert them. Is it too much to say that such proceedings are a mere travesty of justice?

Earlier on in his work, Lord Hewart observed that:

> To employ the terms "administrative law" and "administrative justice" to such a system, or negation of system, is really grotesque. The exercise of arbitrary power is neither law nor justice, administrative or at all. The very conception of law is a conception of something involving the application of known rules and principles, and a regular course of procedure.

Subclause (1) of clause 37 of Bill C-187 provides for the supervising mining recorder to cancel the recording of, or to refuse to record, any mineral claim where he is satisfied that the person claiming the rights involved therein is not entitled to them. While an appeal from his decision is permitted, it is restricted to being heard by the Minister of Indian Affairs and Northern Development (Mr. Chretien), whose decision thereon then becomes final. When we remember that the minister will be entirely dependent on the advice of his officials in arriving at the decisions made on such appeals, it becomes obvious that, in effect, what is taking place is really a meaningless appeal procedure whereby one public servant, or several, pass judgment on the appropriateness of the decision of one of their colleagues. Under these circumstances, can any one wonder why miners are apprehensive about the type of justice which they are likely to receive under the provisions of this bill? Public servants, passing judgment on other public servants, particularly when they are all in the same department, in my view represent nothing more than the workings of a mutual admiration society.

• (4:30 p.m.)

As a further specific example of excessive discretionary powers proposed in the bill, Mr. Speaker, I would draw your attention to clause 79(2), a particularly important clause because it deals with annual royalties payable to the Crown by mine owners. This subclause allows the minister—and of course this authority will be delegated—to decide whether two or more mines are operated by the same mine operator, or whether they are under the same general management and control. There is no appeal provided from this most arbitrary decision, the consequences of which could be enormous for the people who may be affected by it.

Paragraph (a) of clause 83 empowers the minister to reduce the value of depreciation on machinery, equipment or buildings at a mine where such depreciation has been claimed at a rate of 15 per cent per annum. Again, no appeal lies from this arbitrary decision. The discretionary powers embodied in the bill only add uncertainty to the Yukon mining industry, an industry which if nothing else is uncertain and risky by its very nature. Hon. members also ought to note that the proposed legislation further threatens the industry by establishing a most substantially increased scale of royalties which will not be alleviated by tax abatement provisions because, as I pointed out in my remarks on April 22, the Yukon Territory is not a province.

The measures proposed in this bill are particularly resented by the people of the Yukon Territory because, at a time when mining development is just beginning to move at a very encouraging rate, new proposals are introduced which place mineral operations in the Yukon Territory at a very significant taxation disadvantage compared with the same type of operation in British Columbia and Quebec. This cannot but discourage mineral exploration and development in the Yukon Territory, with appropriate consequences for the people who live there.

In a recent report in the *Globe and Mail*, to be specific on March 26, 1971, Mr. Jack Austin, the Deputy Minister of Energy, Mines and Resources, is reported as having told a group of mining executives in Toronto that:

> Old antagonisms between government and the mining industry are breaking down.

If the present bill, as proposed, becomes law I can assure Mr. Austin and his minister, as well as the Minister of Indian Affairs and Northern Development, that they will be in for very substantial disillusionment. How can a piece of legislation such as the present bill, which would treat so unfairly the principal industry in an area faced with enormous natural problems in developing industrially, be received with anything else but hostility by the people who must operate under it or who otherwise will be affected by it?

In response to Mr. Austin's questionable optimism, I think it is worth citing a small portion from an editorial entitled "This is Where It's At" which appeared in the December, 1970, edition of the *Western Miner*. The final paragraph in that editorial reads:

> As Mr. P. M. Reynold, President of Bethlehem Copper Corporation, so aptly observed at a recent meeting with Finance Minister Benson—"We are just not able to communicate with you and your advisers. We are not on the same wave length." The industry has made every possible effort to communicate, but apparently to no avail. Surely, with such undeniable evidence of the employment creating capability of the mining industry, government must reconsider its proposals to destroy this capability through unrealistic tax policies.

If we were dealing with a government which had a normal measure of humility, it might be possible to have some of the more extreme and punitive aspects of this legislation changed. Frankly, having observed the arrogance and self-righteousness of the government, particularly when it comes to listening to points of view alternative to its, I must despair of hoping that it will heed the representations which have been made against the proposed act by such bodies as the Vancouver Board of Trade.

In its letter of February 23, 1971, the Vancouver Board of Trade wrote to the minister as follows:

> It is calculated that the proposed Yukon royalty will be more than three times as much as the present royalty over the first five years of an operating mine and more than twice as much over the first ten years.
>
> This increase in disparity with mining taxes in the provinces coupled with the higher cost of mining and exploration in the Yukon will minimize the future growth in the territory.

On the matter of ministerial discretion, the Board of Trade observed, and again I quote:

> There are sufficient uncertainties in mining without compounding the problem. Ministerial discretion, which in practice may mean a civil servant without mining or business experience, is an unacceptable method of applying a tax. It should be used as a last resort and not to cover vagueness and ambiguity in drafting. Examples of unnecessary use of ministerial discretion can be found throughout the bill but in particular we point out section 79(2), 80(c) and 83(a) and 84. The abrogation of parliamentary rights and the resultant possible abuse becomes critical when a taxpayer has no right of appeal to a court.

The Yukon Chamber of Mines in its submission to the Standing Committee on Indian Affairs and Northern Development on this bill made the following criticism of its royalties provisions:

> The Finance Minister's white paper on tax reform indicates a major tax increase for mining companies. A study of an existing copper mining company of an average size revealed that over a ten year period its tax burden would have been increased by more than 35 per cent had the white paper been in effect during that time. In a ten year period the total tax burden for a mining company operating in British Columbia under the white paper would have been 60 per cent greater than the burden it would have had to bear in the United States and 63 per cent more than it would have had to sustain in Australia. Mining investment capital is very specialized in that it tends to stay with the industry and not move to other industries. Should mining in Canada become less attractive as a result of the white paper it is very probable that Canadian mining capital would not be deployed to some other activity in Canada but rather would leave the country in search of other more attractive (mining) ventures.

It seems to me that once again the government is working at cross purposes in this bill. The Minister of Regional Economic Expansion (Mr. Marchand) is responsible for a department which is spending many millions of dollars yearly in an effort to stimulate economic expansion in areas where such activity is not taking place at a sufficient rate and in a degree to provide stable

employment for the local work force. The provisions of this bill will work to the detriment of the efforts of his department in giving incentive grants to industries located in the north because its provisions will work in such a way as to discourage and penalize development in the principal industry in the Yukon Territory. Those of us who have watched the progress of mineral development at such an optimistic rate in the Yukon Territory have hoped that from it would spring logically related, and badly needed secondary industries to provide a whole new base for future development in that part of our country.

• (4:40 p.m.)

There is no doubt, however, that short-sighted, negative, arbitrary and restrictive measures, such as those contained in this proposed act, will destroy any such hope for the development of secondary industries when the primary industry on which they would be based will be so adversely affected by this unwarranted piece of legislation. Is it any wonder that it has been so soundly criticized by those people who know best the needs of the Yukon Territory and whose views I have already cited in small measure earlier in this speech? This proposed act is merely further evidence that the government intends to continue its policy of designing laws geared to making life simple for the bureaucrats. The fact that this measure is neither sought by the people whom it affects, nor of benefit to them, is not, of course, and as usual, regarded by this government as being sufficient reason for altering it.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, I prepared this speech about a month and a half ago, so if the situation regarding the bill has changed in the meantime I hope I can still be understood. I should like to suggest that the minerals or anything else in the north should be developed for the benefit of the people of all Canada. Perhaps we should start with the people of the north and then include all Canada, but I do not think these resources should be developed only for the people of southern Canada, as I am afraid has been the case quite frequently in the past.

I think there should be some definite move on the part of the government, in connection with this bill or any other, to help the people of the north on a permanent basis. I cannot think of anything that would be more effective than moving those people connected with the administration of mining or power or anything else to the communities concerned. Surely, if they lived in the area they would have a better understanding of the problems and their decisions would benefit the people much more than decisions made in Ottawa.

The complaints I receive from people in the north tend to be along the line that we do not understand their problems and make decisions about things without sufficient knowledge. I would like, therefore, to suggest that the government base its decision-making personnel closer to the areas with which they are concerned. We should make definite efforts to conserve the non-renewable resources of the north for future use. It will be too bad if we do not make the most effective use of the resources available. First, we should take an inventory of the mineral resources of the north. We have done this to some degree already in the Carr report, which resulted from a study of the obvious things in the north but I am sure there is still much to be done.

I should like to make the following points: There has been no study of Canada's mineral resources either in the north or in the rest of Canada, or of our future national needs for various minerals similar to the study of the National Energy Board on oil, gas and coal in which the future demand and supply reserves were estimated based on probable reserves, projected future production, and future needs based on certain estimates of what our economic growth, industrial development and trading patterns should be. As far as mineral resources are concerned, the Canadian government is pursuing a "head in the sand" type of policy in which it is assumed that we have plentiful reserves and our economic growth and balance of payments position depend upon the ever-increasing development and sale of our natural resources by whomever can be enticed into exploiting them.

I would suggest that it is important that we make an inventory of what we have, and then decide on our future needs. Exploiting our resources to make money is not good enough. In conjunction with the mining development in the north, we should begin to build secondary industries. Smelters, refineries and reduction plants would provide a base for heavy industry, and freight costs on many items in and out would be reduced if we had a total package rather than one primary industry. The development of a total economy, rather than just mining, is desirable. It should not just be a matter of mine quickly, get out and leave the north. Mining will form the basis of northern economy but development of support services may bring something which will be renewable and long lasting. I would suggest also the development of farming. Thinking in terms of the Yukon, there may be a form of farming, different from that in Ontario or western Canada, but which would be suitable to that particular area.

I have asked the minister a number of times if he has investigated what the Russians have done. I have suggested that he take the committee to see how they have developed the north. As I understand it, the Canadian government has not done too much. I am sure the committee would gain much from such a visit and could make worth-while recommendations as a result. I saw a film provided by the minister called "Below Zero". It was most enjoyable but I noticed a serious omission. There was nothing in it about the country which has more northern territory and more winter than all others put together, that is Russia. Surely, this area should be investigated. I do not suggest that we should do everything the way the Russians do or that they have necessarily done the right thing, but surely we could learn something from them.

I read Farley Mowat's book on Siberia recently and while I do not suggest that he is an authority on this or any other north, he did point out some measures that I do not think we have followed in Canada. He spoke of using the permafrost to build dams, for instance, and this

idea interested me very much. He described some testing in regard to pipelines, and mentioned mining for diamonds and gold and drilling for oil. He described support services such as agriculture in the north, speaking particularly of reindeer herds which supply meat for people in the mining camps. Surely, it would be worth while for the committee to make a trip to northern Siberia in order to study what has been done there. I do not think the minister or members of the committee have been able to persuade the government to let them go. Should they be able to do so, I am sure there would be no lack of volunteers from this side of the House to accompany them. In so far as this bill is concerned, I think we should certainly make a trip to the north to hear what the people there think about it.

• (4:50 p.m.)

With regard to ownership in the north, I should like to make the brief comment that, in developing mines in the north beyond the financial capacity of Canadian private enterprise, rather than introduce foreign capital we should adopt the Panarctic approach. Further, if we want to construct smelters or refineries and things of that kind, we should turn to the Canada Development Corporation for financing. After all, why ship out of the country minerals in unprocessed form if we can process them at home? I suggest here is a logical place for the Canada Development Corporation to assist in Canadian development. Finally, we should show particular concern for the natives of the north. We should educate them so that they can contribute to northern development and find employment in the mining of Yukon minerals.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. I must point out to the House that if the Minister of Indian Affairs and Northern Development (Mr. Chrétien) now takes the floor, that will bring the debate to an end. Is there agreement?

Some hon. Members: Agreed.

[*English*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I do not want to take too much time since there will be occasion to debate the bill at committee stage after it has been referred to the Standing Committee on Indian Affairs and Northern Development.

May I thank all hon. members who have participated in the debate, which I think has been a good one. Some hon. members wanted to raise other problems that have arisen in the past, such as the problems facing our native peoples. I am sorry we cannot have a full discussion of those problems, but I would say that I think all hon. members, certainly those on this side of the House, will agree that never before has the federal government entered into a dialogue with the native population of Canada. We have tried to seek their advice concerning the many measures we are proposing, especially in the field of employment in the north. We started a campaign two years ago to try to persuade developers in the north to give priority to the employment of the native population. This was evident from the guidelines we issued last August which stated that, if pipelines are constructed in the north, not only at the construction stage but at the operation stage the native people should be fully and permanently employed.

We very strongly believe that if we give our native people the skills required they will make very good employees and be very reliable. There is one benefit we will all gain from their working in the north, and that is that they will have no wish to come south. They are happy to live in the north because that is their country. The government and I realize this, and it is why we are not shy about speaking of what we have done and are planning to do for our native people.

Now is not the time to discuss this because this bill deals with mineral development in the Yukon. It is not a perfect bill, of course, and I said in my speech that we would make some changes at the committee stage. People in the north are concerned about the level of royalties, and I did say that we would make some adjustments there. I think all hon. members will agree that we must make sure that the royalties we receive from the mines in the north are not higher in amount than those received in British Columbia. But I repeat: We are going to make sure that revenue from royalties from mines in the Yukon received by the government will be lower than revenues received by the provincial administration of B.C. In this regard, I am going to present an amendment that will reflect the wishes of the House.

As far as the Canadian participation clause is concerned, I do not apologize for forcing industry in the north to accept investment from Canadians. This is the only industry in the Yukon under federal administration to which a clause of this sort does not apply. Pending a general review of policy on Canadian participation; we are going to put this proposal forward. I do not think development of the Yukon will suffer. At the same time, I think it is right that Canadians be allowed to participate in northern development if they so wish.

Mr. Nielsen: They can do so now.

Mr. Chrétien: If a United States company develops a mine in the Yukon at the present time, it can refuse Canadian participation. We are trying to get such concerns to list their stocks on the Canadian market. In that event, any Canadian could buy shares in that company.

I was glad to hear the Leader of the Opposition (Mr. Stanfield) make a speech. The only thing that annoyed me a little was that he visited Alaska before he visited Canada. He should have visited the Canadian north before making that speech.

Mr. Nielsen: He has been to the north.

Mr. Chrétien: He went during the last campaign; he went to the Northwest Territories. I think he should have visited the Canadian north first, and I am glad he is planning to do that. I am only sorry he did not do it before.

Mr. Nielsen: Mr. Speaker, I rise on a question of privilege. The impression is being left by the minister that

the Leader of the Opposition has not visited the north. That is inaccurate. He has been to the Yukon and to the Northwest Territories. The previous Prime Minister, the right hon. member for Prince Albert, was the first Canadian Prime Minister to visit the north twice in succession.

Mr. Chrétien: Since we are close to five o'clock, Mr. Speaker, I will not raise any more issues. One of the accusations made by the Leader of the Opposition was that we are not following the Alaskan experience. I was in Alaska before he was and officials of my department visit Alaska regularly. They are making sure that we are kept informed on everything taking place there. I can assure hon. members that we pretty well know the situation in Alaska, and know much more about the situation in the north than do the members of the opposition. We will have ample opportunity to discuss the bill in committee after second reading. I am willing to examine all suggestions made by hon. members in committee, and I am sure this bill is going to be a great improvement on the former legislation governing the administration of the resources in the north.

Mr. Nielsen: Rubbish.

The Acting Speaker (Mr. Richard): Is it the pleasure of the House to adopt the said motion?

Some hon. Members: On division.

Mr. Nielsen: We want a recorded division, Mr. Speaker.

The Acting Speaker (Mr. Richard): All those in favour of the said motion please say yea.

Some hon. Members: Yea.

The Acting Speaker (Mr. Richard): All those opposed please say nay.

Some hon. Members: Nay.

The Acting Speaker (Mr. Richard): In my opinion the yeas have it.

And more than five members having risen:

The Acting Speaker (Mr. Richard): Call in the members.

The House divided on the motion (Mr. Chrétien) which was agreed to on the following division:

• (5:00 p.m.)

YEAS

Messrs:

Anderson
Andras
Badanai
Barnett
Barrett
Basford
Béchard
Benjamin
Benson
Blair
Blouin
Borrie
Broadbent
Burton
Cafik
Chappell
Chrétien
Clermont
Corriveau
Côté (Longueuil)
Crossman
Cullen
Cyr
Danson
Deachman
Deakon
Douglas
Dubé
Duquet
Forget
Foster
Francis
Gendron
Gilbert
Gillespie
Gleave
Gray
Groos
Harding
Hopkins
Howard (Okanagan Boundary)
Howard (Skeena)
Hymmen
Isabelle
Jamieson
Jerome
Kaplan
Kierans
Knowles (Winnipeg North Centre)
Laing (Vancouver South)
Langlois
Laniel
Leblanc (Laurier)
LeBlanc (Rimouski)
Lessard (LaSalle)
Lessard (Lac-Saint-Jean)
Lewis
MacEachen
MacInnis (Mrs.)
Mackasey
McIlraith
Mahoney
Mather
Morison
Munro
Nystrom
Orlikow
Osler
Pelletier
Pepin
Perrault
Peters
Portelance
Pringle
Reid
Richard
Rose
Roy (Laval)
Saltsman
Skoberg
Smith (Saint-Jean)
Stanbury
Stewart (Cochrane)
Stewart (Okanagan-Kootenay)
Thomas (Maisonneuve-Rosemont)
Thomson (Battleford-Kindersley)
Trudeau
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Walker
Weatherhead
Whelan
Whicher
Winch
Yanakis—96.

NAYS

Messrs:

Aiken
Alexander
Baldwin
Bell
Code
Comeau
Crouse
Danforth
Dionne
Flemming
Forrestall
Fortin
Gauthier
Godin
Hales
Harkness
Horner
Howe
Knowles (Norfolk-Haldimand)
Korchinski
Lambert (Bellechasse)
Laprise
MacInnis (Cape Breton-East Richmond)
MacLean
Macquarrie
MacRae
McCleave
McCutcheon
McKinley
Monteith
Muir
Nesbitt
Nielsen
Noble
Paproski
Peddle
Rodrigue
Ryan
Simpson
Southam
Stanfield
Stewart (Marquette)
Tétrault
Thomas (Moncton)
Yewchuk—45.

• (5:20 p.m.)

Mr. Deputy Speaker: I declare the motion carried.

Bill read the second time and referred to the Standing Committee on Indian Affairs and Northern Development.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Hillsborough (Mr. Macquarrie).—Proposed trans-Alaska pipeline system—expression of Canadian opposition—participation by British Columbia in meeting with United States officials; the hon. member for Portneuf (Mr. Godin)—Public Service—Department of National Health and Welfare—officers in Toronto reportedly receiving higher salaries than those in Quebec City; and the hon. member for Dartmouth-Halifax East (Mr. Forrestall)—National Parks—Ship Harbour—prevention of land speculation.

Mr. Bell: Mr. Speaker, since it is one of our private members' motions which would be affected by the shortened hour, may I take the initiative and suggest we call it six o'clock?

Mr. Deputy Speaker: Is there agreement to the suggestion of the hon. member for Saint John-Lancaster that I call it six o'clock?

Some hon. Members: Agreed.

Mr. Deputy Speaker: It being six o'clock, I do now leave the chair.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CANADA LABOUR (STANDARDS) CODE

AMENDMENTS RESPECTING HOURS OF WORK, WAGES, VACATIONS, TERMINATION OF EMPLOYMENT, ETC.

Hon. Bryce Mackasey (Minister of Labour) moved that Bill C-288, to amend the Canada Labour (Standards) Code, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

He said: Mr. Speaker, a little later in the session I will be bringing in, I hope, changes to the Industrial Relations and Disputes Investigation Act which have been awaited for some considerable time by members of the House who are interested in the problems of labour, and by organized labour itself. I think, however, we tend to forget that in Canada only about 40 per cent of the work force may be considered to be organized, that is, represented by trade unions at the bargaining table, and about 50 per cent in the federal field due primarily to the fact that public servants in general are entitled to collective bargaining.

When we do bring forward the bill on the IRDI Act later in the session I think we will have indicated, despite the criticism that all too frequently is raised in respect of collective bargaining these days, that we do believe this Canadian system bears perhaps strengthening but certainly warrants preserving. I think it goes without saying that in a civilized system the responsibility of government does not end with providing the legal framework within which organized labour and management bargain to establish their norms. I believe it is the responsibility of the government to protect the unorganized in this country who, as I mentioned, represent the greater percentage of the work force. I refer to people who are not covered by collective agreements and depend, therefore, on the federal government and provincial governments to varying degrees to provide the standards or minimums which govern their very existence in the work force.

I think we should remind ourselves that minimum labour standards are designed to ensure that all workers, whether organized or not, who are employed by small businesses or large corporations are entitled to specific conditions of employment which conform to socially acceptable norms. These are designed to establish a legal barrier below which these conditions cannot be driven by the unfettered play of market forces.

At a time when those who plan the future shape of our system of social security are searching for comprehensive solutions to the problems of poverty, including those faced by the working poor, this barrier represented by minimum standards is being increasingly recognized as an important instrument of social policy. It is so recognized by the government of Canada and will be used accordingly.

Again let me remind the House, although I believe most members know this, that the first Labour (Standards) Code was brought into existence in the federal field in 1965. I do not think anyone would mind if I were to pay tribute to the present government House leader, the President of the Privy Council (Mr. MacEachen), who piloted through the House the first Labour (Standards) Code in 1965. I believe those of us who are preoccupied with portfolios which address themselves primarily to people will recognize that this original piece of legislation has made a valuable contribution to Canadian development, and I hope these amendments will make it an even more valuable piece of legislation.

As members may recall, the 1965 code covered certain basic standards governing hours of work, overtime pay, vacations with pay and general holidays. The minimum wage at the time was $1.25. The standard hours of work were set at eight per day and 40 per week with a maximum of 48 per week. The minimum rate for overtime beyond standard hours was set at time and one half, the minimum paid vacation at two weeks and the minimum number of paid general holidays at eight per year.

• (8:10 p.m.)

In the present bill we are introducing amendments that relate to all the standards which I have just enumerated. These amendments are based on the experience over the last five years and they are intended, for the most part,

to overcome many administrative problems and to avoid unnecessary interference with the practices established by collective bargaining. This is the result of the experience of five or six years during which the standards have been in force.

In addition to this, we intend, as hon. members who are familiar with the bill know, to introduce many new features to the Canada Labour (Standards) Code which are new at least in the federal field. My hope is that among other things these amendments will make it possible to deal more effectively with the type of difficulty that has made it necessary, in so far as the existing hours of work provisions are concerned, to issue special orders covering certain portions of the transportation industry and to keep railroads under deferment.

I think most hon. members appreciate the difficulty which we had in introducing the standards under the Canada Labour (Standards) Code in the field of transportation, the problem of adapting the code to the railway industry, the tracking industry, the airline industry and the shipping industry. Consequently, for six years a rigidity has been built into the existing legislation which has made it rather difficult, in the part of the code dealing with hours of work, to introduce the code with any consistency.

It is my intention to see that the increased flexibility which is proposed in this bill will permit me not only to make the bill more applicable and more functional in these areas but also to allow it to be used with good sense and in consultation with labour and management. In this way we will be able to ensure that the spirit of the code is applied both to employers and to employees in the transportation industry. With one obvious exception, and that is the minimum wage, there will be no basic change in the standards now set forth in the code. Measured against the norms established by international conventions, provincial laws and the provisions of collective agreements, these standards still appear to be appropriate as minimum standards.

With regard to minimum wages, hon. members may recall that some time before last July, if I am not mistaken, we amended the minimum wage provisions, or that portion of the Labour (Standards) Code that applied to minimum wages, to increase the minimum wage from $1.25 to $1.65 per hour. At the same time I promised the committee that I would recommend the increase of the minimum to $1.75 when I brought in the bill and that I would try to find ways and means of facilitating future adjustments to the minimum wage.

I think hon. members will recall that the minimum wage prior to last July had not been changed for five years, which meant that people who worked for minimum wages found not only their dollar eroding but that it was almost ludicrous and certainly a disincentive to work for the minimum wage of $1.25 per hour—$50 per week—which in many provinces is below the amount paid through welfare payments. What I propose to do in the bill is to make it possible to increase the minimum wage, preferably every year by Governor in Council upon the recommendation of the Minister of Labour.

[Mr. Mackasey.]

I think this will get us over the problem with which we were faced between 1965 and 1970 when certain events made it impossible to get around to raising the minimum wage by bringing legislation before the House. I believe there were one or two elections, just to mention one unexpected event which can impede the orderly increase of minimum wages. I believe that the ability to adjust minimum wages by Governor in Council will be a useful addition to the bill; and of course, once again this added power will be used judiciously.

As Minister of Labour I would provide for a continuing process of review in which representatives of employers and trade unions will be invited periodically to participate so that the minimum wage can be periodically revised and maintained at an economically relevant and socially desirable level. This was one of the subject matters that we discussed in the past week with Ministers of Labour from across Canada. The impact that federal minimum wages could or do have on the provinces and on their own particular norms is felt as the Ministers of Labour of the provinces realize the need to keep alive and in existence a labour incentive industry rather than a capital incentive industry.

In setting the federal rate we must at all times recognize the distortion that any change might have on the provinces. I might remind the House that the minimum applies only to employees of the age of 17 years and over, but since 1965 we have set a special rate by regulation for people in the work force under 17 and last July we raised that rate from $1 to $1.40 per hour. If the general minimum is increased as now proposed, I intend to recommend to my colleagues a similar increase to employees under 17 which would bring the minimum wage up to $1.50 per hour.

I think the government has made it clear that it recognizes the need to examine all aspects of law and policy which affect the rights of women in Canadian society. To this end it has launched a careful review of the many recommendations contained in the recent report of the Royal Commission on the Status of Women. I am pleased that the Department of Labour will be heavily involved in the review which will proceed in a climate that the work of our women's bureau has helped to create. I am also pleased that as Minister of Labour I can now come forward with legislative proposals that are consistent with the general thrust of the royal commission's recommendations. I refer, of course, to the provisions in the bill relating to equal pay for equal work, and maternity leave. Given the large and continuing increase in the number of women including married women who participate in the work force, it seems to me that these two basic provisions are essential.

The amendments to the act would replace the existing provisions of the Female Employees Equal Pay Act of 1956 by strengthened provisions in the Canada Labour (Standards) Code. The proposed change of statutory locale is in itself important because in my opinion problems of inequity affecting women should wherever possible be dealt with, not in special legislation for women but in general legislation applicable to Canadians whether male or female. In this connection members of

the House will note that the language used in the proposed new equal pay part of the code will prohibit pay differentials based on sex, whether directed against men or against women.

The proposed new standard should be much more effective, for two reasons. To begin with, the prohibitive practice is more broadly defined, referring not to "identical or substantially identical work" but to "the same or similar work on jobs requiring the same or similar skill, effort and responsibility". Equally important, application of the law will no longer be dependent upon the receipt of complaints of individuals. The proposed new provisions will be subject to the general inspection and enforcement procedures of the code.

I think this is a very important change because under the existing legislation which has been around since 1956 the onus of responsibility for initiating a complaint or investigation rests with the person who feels she is aggrieved. Many women insecure in the work force dare not initiate such a complaint and therefore the act has not had nearly the impact that it should. Now that it is to be placed within the ambit of the Labour (Standards) Code, the responsibility will be broadened. Not only will the department act on complaints by women in the work force, but a complaint or an alleged violation of the act will be brought forward by the inspectors who will inspect the records of employers with respect to hours of work—something which they have been doing for some years. This added responsibility placed on the shoulders of the inspectors should do much to eliminate the discrimination which has gone on for far too long in the federal field.

• (8:20 p.m.)

The amendments relating to maternity leave would prohibit dismissal or lay-off solely because of pregnancy, and establish a right to maternity leave. An employee with at least one year of service would be entitled to maximum leave covering a period 11 weeks before and six weeks after delivery, together with any period between the estimated and actual dates of delivery. I hope that pleases some members of the New Democratic Party because I am not too sure that this type of legislation was pleasing to all members of that party at their convention last week.

I should note that the period of 11 weeks before and six weeks afterward is consistent with the provisions in the bill to revise the Unemployment Insurance Act under which an employee whose earnings are interrupted by pregnancy, after a two-week waiting period will be entitled to benefits for a maximum period of 15 weeks. The combined effect of these provisions will be that in most cases an employee who must take time off for the purposes of childbirth will be entitled both to job security and a reasonable level of income maintenance. I think hon. members will agree that this provision represents an important forward step.

There is another area that the Labour (Standards) Code deals with this time that was not in it in 1965. This concerns the increasing problem of people who are leaving the work force, of the senior worker who is forced out of his job through automation and who realizes that less and less he can depend entirely on seniority for security of tenure. I think we all agree that in this technological age this is one of the big problems faced by any worker—the problem of adjusting from one job to another, the shock of losing work and in some cases the shock for a person who finds that his or her skill is redundant. That person needs all the help that Parliament can extend, and this principle is quite consistent with the basic philosophy of all political parties.

In the bill there is provision in the case of large scale terminations for notice to the government and to any trade union representing the workers affected, the required period of notice varying from eight to 16 weeks depending on the size of the group terminated. The purpose of this provision is to ensure that there is time for employers and trade unions to work closely with the Department of Manpower and Immigration so that the placement, training and relocation services provided by that department can be brought fully into play. It is unfortunate that all too frequently large groups of people, particularly in the unorganized sector of the work force, are laid off with little or no advance notice, making it increasingly difficult for the Department of Manpower and Immigration to be effective and to guide them into other work if they have a particular skill and work is available.

In the case of people eligible for unemployment insurance, again this advance notice is of importance if there is to be no undue hardship suffered by the worker in applying for unemployment insurance. It is my hope and belief that the great majority of employers will be both willing and anxious to comply with the group notice requirements of the law. In the event that they do not, we will provide fines in the bill ranging up to $100,000. I would hope this would be sufficient deterrent to those employers who, by any stretch of the imagination, would want to ignore the provisions of the law which insist that there be sufficient notice for group termination of work.

The second standard in this general area would provide the individual whose employment is being terminated with entitlement to a minimum notice of two weeks or an equivalent amount of play in lieu of notice. The third standard that is new in the legislation, that we did not have before and which I think is equally important, is that for the first time we have introduced this feature for what you might call the unorganized sector, the feature of a legal right to a minimum amount of severance pay. I think that severance pay, grouped with the provision for advance notice of termination, is of tremendous significance in this particular field.

An employee with five years or more of service whose employment is being terminated, except by way of dismissal for just cause or retirement on an immediate pension, would be entitled to two days' pay for each year of service, up to a maximum of 40 days' pay. Assuming a five-day week, this would mean a minimum severance payment ranging from two weeks' pay for an employee with five years of service to eight weeks' pay for an employee with 20 or more years of service.

There is another amendment that would prohibit dismissal of an employee solely because he was the subject of garnishment proceedings. This may not seem significant but, ironically, many people are dismissed because they happen to be the subject of garnishment proceedings. I think it is unfortunate that so many employers, rather than be bothered with the paperwork associated with court orders simply prefer to dismiss an employee. I have never been able to understand the social sense of an employer who would do this, but from our statistics we know that it is a fairly common practice. When an employee is in financial difficulties he should not be subject to loss of employment and earnings simply because his employer must undertake the paperwork required to comply with a court order for garnishment of wages. Therefore, if Parliament approves this bill we would prohibit this practice and see it is brought to an end in industries within federal jurisdiction.

There are two other areas concerning the bill which I would like to mention. One is that under its provisions the new standards relating to equal pay for equal work, maternity leave, group terminations of employment and dismissal for garnishment would apply to managerial and professional employees as well as to all other employees. The original act, if I am not mistaken, set standards for a particular, identifiable group of employees spelled out in the act. What we are doing here is making these provisions relating to equal pay for equal work, maternity leave, group terminations of employment and dismissal for garnishment apply to managerial and professional employees just the same as to all other classes of workers. This is an important departure and in my view is fully justified in view of the social significance of the standards in question.

Hon. members who have read the bill will also have noted that for most of the amendments the proposed effective date is July 1, 1971. Because of the possibility that related regulations will require a somewhat longer period in which to prepare and discuss them with interested parties, it is proposed that the provisions relating to notice of termination of employment and severance pay should come into effect on a date to be fixed by proclamation, which will be the earliest possible date after July 1.

Again I remind hon. members that the Canada Labour (Standards) Code does not apply to the public service as a matter of law. However, as the result of a commitment made to Parliament in 1965 by the then Minister of Labour, the standards established by the code are applied to the public service as a matter of government policy. I am pleased to now reiterate that commitment with respect to the standards embodied in the proposed amendments.

In conclusion, Mr. Speaker, although in preparing the bill we have given careful consideration to the provisions of relevant conventions and recommendations of the International Labour Organization, the contents of related laws in the provinces, the provisions of collective agreements, the views expressed from time to time by labour and management and the experience of the department in administering the code, I am hoping the bill will receive careful scrutiny by the Standing Committee on Labour, Manpower and Immigration and that the committee will agree to receive representations from the major organizations of employers and trade unions. I assure the House that constructive criticism and comment will be both welcome and carefully considered as the bill proceeds through the parliamentary process.

• (8:30 p.m.)

In my opinion and in the opinion of the government this is important legislation designed to benefit working men and women and deserves to be examined with care before taking its place on the statute books. Mr. Speaker, I am pleased to move that Bill C-228, an act to amend the Canada Labour (Standards) Code, be read a second time.

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, there is no question that this is extremely important legislation. It is important because it affects the lives of hundreds of thousands of people. As I understand it, it is involved with federal jurisdiction in the areas of railroad and water transportation and all services instrumental in pipeline, telephone, radio and television, grain elevators, grain milling, banking, etc.

Mr. Benjamin: And the staff in your law office.

Mr. Alexander: I think it is important in this area because it seems to me, as the minister has explained, that the vast bulk of our labouring force is within the unorganized field. Those who are affected by collective bargaining have an opportunity and, usually, the wherewithal with which to protect themselves, so it is within those areas that we have to be concerned about good leadership. I think the minister has indicated that through federal and provincial prerogative they can give some leadership to those who are not adequately protected.

What we are trying to do here, Mr. Speaker, is establish a social policy ranging from the study of the minimum wage to questions of discrimination and the establishment of safety codes. I know the minister believes this latter point is extremely important and I understand that legislation will be brought forward in keeping with its importance. I agree with what the minister has said, that this legislation effects a minimum wage, equal pay for equal work, maximum hours of work, maternity leave, giving notice of separation, and severance pay. All these are very important, timely and necessary. Of course, we reserve the right to question some of the matters raised by the legislation.

There are two important areas in which I believe the government's response is inadequate in light of crying social conditions. One is the provision for the adjustment of the minimum wage and the other is the bringing in of equal pay for equal work. I was impressed with what the minister said in attempting to bring before the House the position he takes regarding the provision for adjustment of the minimum wage. However, I was a little disappointed inasmuch as I was led to understand last fall, when the minister introduced legislation increasing the mini-

mum wage from $1.25 to $1.65, that he would attempt to bring in an adjustment procedure or standard. This has not occurred.

The minister indicated that he has met with his colleagues at the provincial level. I understand that they are to meet periodically to discuss the matter and if they feel the climate warrants it or the political atmosphere makes it desirable—this is what concerns me—the minister will move to increase the minimum wage. I shall discuss that matter shortly. When we are talking about guidelines in this area, I think it is important to realize that the minister's decision can be affected by political atmosphere, particularly when we see how this government moves—I say this with a great deal of respect—and when we realize their complacency or policy with respect to creating unemployment. It may mean that the minister cannot take the opportunity to raise the minimum wage.

I believe the hours of work provide for a 48-hour week, with exceptions in certain circumstances. We are desirous of having this bill go to committee because in this area we run into the whole problem of transportation. The minister is well aware of that problem. I understand that permits will continue to be granted with respect to exceptions to the 48-hour week in those industries or commercial endeavours which need an extension. I think it is advisable that guidelines be established and I am sure we will deal with this question in committee. The guidelines that are proposed should take into consideration the situation where a restricted work week of 48 hours will be detrimental to employers or employees and where the nature of the work would make the regulation unreasonable. We will have to discuss this point at some length.

I have discussed the minimum wage, but I was short of time when the minister increased it to $1.65 last year. He was not very happy because I think it had been stated by several people on his behalf that he was interested in making it at least $1.75 an hour. On a previous occasion I said that while there may be no absolute virtue in leaving the procedure for adjustment within the amending process of Parliament, the government had not proposed an alternative that really improved the existing procedure. If the minimum wage has as its objective a floor consistent with current needs, this objective should be pursued by means of an automatic adjusting factor which would keep it in line with the cost of living. That is what we proposed on this side and we thought the minister would be bringing it in. Perhaps there is an explanation so I shall not dwell on the matter except to state that such an adjustment would naturally bypass amendment in Parliament, and with the proposed amendment Parliament would be bypassed without the rationale of automatic adjustment. The amendment proposed does not even provide a broad guideline or formula upon which a cabinet decision would be based. I suggest that there is an unacceptable arbitrariness on the part of the cabinet when the minimum wage is to be changed.

The matter of equal pay for equal work I believe primarily stems from the report of the Royal Commission on the Status of Women and reflects the general attitude regarding the importance of women in the work force. Some time ago I made a speech and I should like to put on record some thoughts I had then regarding statistics. At that time I said:

> Back in 1950, women formed only 22 per cent of the Canadian labour force. That proportion has grown this year to 32 per cent. By 1980, according to projections of the Economic Council of Canada, you will form better than 35 per cent of the labour force—3,681,000 as compared with 7,017,000 males.
>
> The significant fact is that the annual growth in the female component of the labour force since the mid-sixties has been consistently above the projections of the council. By 1980 you could form closer to 50 per cent than 35 per cent of the labour force.
>
> The growth of the number of women workers has matched the sustained growth of the whole labour force.

This is extremely important. When we talk about equal pay for equal work, the consistency of our thinking becomes extremely realistic and acceptable. The Economic Council has stated—

Mr. Benjamin: Are you in favour of it?

Mr. Alexander: I notice that the member on my left is continually objecting. I know he has some oratorical brilliance and I hope he will give us the benefit of his thinking, rather than reading a local newspaper, and do something constructive for a change.

Some hon. Members: Hear, hear!

• (8:40 p.m.)

Mr. Alexander: As I was saying, the Economic Council has stated that rising female labour force participation rates are expected to make the female component of the future labour force growth particularly large, with females accounting for over 1 million and males slightly under two million in the over-all growth to 1980.

Mr. Benjamin: Read on.

Mr. Alexander: Yes, I am reading because I wrote it myself in the first instance. If you had been listening, my friend, instead of reading that paper you would have heard me say that I made a speech about the problems of women. By 1980, women will form a larger percentage of the national labour force than they did even in the man-short years of the second World War. It is obvious that this larger and more widespread employment of women will mean that they will wield an evermore direct influence upon national affairs and have an ever-increasing voice in Canada's destiny. Their interest, too, will grow more direct and less passive as they leave the restricted scope of the housewife for the wider field of industry and commerce, public life and public affairs.

The coming decade will inevitably be a decade of expansion and development for Canada—or so we hope. Up to the early sixties, Canadian women formed a smaller proportion of the national labour force than was the case in the six other leading western industrial states. But the Economic Council believes that during the seventies Canada will approach the levels of female participation prevailing in other leading industrial countries. This indicates pretty clearly that during the seventies Canadian women will achieve all they could wish in regard to participation in the nation's work force.

But what about the quality of the positions they will hold? What about progress up the ladder within the labour force? This is an old battleground. This is where a good deal of the masculine talk about the equality of women is shown to be merely lip-service to an abstract ideal rather than practical adherence to accepted custom.

In an address to the Beth Tzedec Sisterhood in Toronto last December, Miss Sylva M. Gelber, director of the women's bureau of the Canada Department of Labour—a woman for whom I have a great deal of respect—emphasized the inequalities and discrimination that face women who would enter the professions or business. I want to put on record the fact that I think Canadians are becoming more aware of the important role that women can play. In this regard I should like to refer to a poll conducted by the Canadian Institute of Public Opinion, published in the Ottawa *Citizen* for March 20 under the headline "Women getting support for rights, says poll". The following questions were asked:

> Would you tell me if you approve or disapprove of these suggestions:
>
> That women who work should receive equal pay with men for the same kind of work?
>
> That, by law, women should be given leave of absence by their employers totalling 18 weeks for pregnancy and confinement?

Then follows a table showing public opinion. With regard to equal pay for women, 80 per cent of the people of Canada approved and only 11 per cent disapproved. The undecideds were 2 per cent.

In regard to the statements made by Miss Gelber, I might add that Mr. John Carson, chairman of the Public Service Commission, has called down the blame on his own head for discrimination against women in the federal bureaucracy, and I respect him for doing so. I hope the minister is aware that you cannot talk of motherhood and pay only lip-service to it. I think the minister must give the fair employment practices act sufficient teeth to do its job.

I should also like to quote some of the points made in a report in the *Spectator* for March 19 last:

> Mr. Carson said the report last December of the Royal Commission on the Status of Women left the commissioners "desperately ashamed of ourselves"...
>
> As for problems involving women workers, he said the commission is seeking to bring more women into its executive training program. The federal government employs 81,000 women, mostly in secretarial and clerical roles.

When the bill goes before the standing committee I hope the minister will make definitive statements regarding his recommendations to Mr. Carson, and the federal government's approach to this very vital and sensitive area. We all hear of the activities of Women's Lib and we have had the report of the Royal Commission on the Status of Women. Unless the federal government shows leadership in bringing women into the work force in a way which means they are accepted for the contributions they make, instead of on the basis of just being women, we are going through an exercise in frustration at the present time.

However outstanding the merit of the progressive amendment regarding equal pay for equal work, I respectfully state that the effect of this amendment is quickly nullified by the qualifying provision that follows, and I should like the minister to reflect on this. I refer to the proposed new section 14A(2) which reads:

> Payment to male and female employees of different wages does not constitute a violation of subsection (1) if the difference is based on any factor or factors other than sex that justify such a difference.

It seems to me that this provision derogates from the initial intention of the equal pay for equal work legislation. This is precisely the kind of situation the commissioners had in mind when they recommended an improvement in the language describing an equal pay for equal work situation. While attempting to improve their credibility by making a linguistic leap of faith, the government has ensured, by this qualifier, that the real situation will remain the same as it was. I suggest this aspect must be carefully watched if we are to retain our credibility.

With regard to maternity leave, which we heard about in the white paper on unemployment insurance, I was under the impression that under the Unemployment Insurance Act the period was 15 weeks. There is now a two-week difference; the period under this legislation is 17 weeks.

Mr. Mackasey: There is a two-week waiting period.

Mr. Alexander: The minister explains that there is a two-week waiting period. This matter has been dealt with at length in terms of the unemployment insurance reforms, so there is no sense in my elaborating on it here. This question will be further explored when the standing committee deals with the white paper on unemployment insurance.

I think the subject of group termination of employment is of significant interest. I believe this provision relates to employees in groups of 50 and up and the amount of advance notice given depends on the number of employees laid off. Advance notice is highly important in facilitating retraining programs and replacement opportunities. It is to be hoped that the Manpower Department will make efficient use of the advance information which will be required once this act becomes law. It would be commendable if the Department of Labour were to assist the trade unions by making research facilities available to them in order that the information about lay-offs can be utilized by them.

As I indicated earlier, when the minimum wage was increased to $1.65 last fall, the Progressive Conservative party accepted the premise of the legislation. We also accept this legislation; there is no question about that. I have endeavoured to raise one or two points that will be conducive to constructive criticism at the committee stage. Further, we shall bring in amendments where we feel they are necessary, particularly with regard to the provisions respecting women.

• (8:50 p.m.)

What concerns us about the minimum wage is that when the federal government gives leadership in this

area, because of the lack of economic growth on the same basis as the federal government the provinces can run into trouble. If the federal government is paying $1.75 an hour and the province of Ontario $1.50, we are telling the province of Ontario to try and lift itself up. This can create a problem at a time when they really cannot afford it.

Mr. Benjamin: Oh, yes, they can.

Mr. Alexander: As I have read the press notices of late, there was some question about marrying the minimum wage on a regional scale. Apparently this has now been discounted. As I understand it, the representative labour ministers are not happy but they are prepared to go along with the minister's suggestion in terms of the minimum wage.

I was pleased to read the section regarding garnishees. This can be a matter of frustration. Those of us who are lawyers understand that this provision will alleviate and perhaps even prevent a lot of frustration which occurs as a result of inadequacies in handling money, overspending, obtaining too much credit and being faced with a garnishee. I am speaking in general: I have never had to face one myself. This has led to the breadwinner being laid off because the company did not want to bother with the additional bookkeeping involved. Rather than face this situation and show compassion to their employee, they would simply lay him off. The minister has stated that no person can be laid off as a result of a garnishee order having been made against him.

In conclusion, we are in general agreement with what the minister has proposed, subject to reservations. This is not for the purpose of holding up this bill, but if we deem it necessary we shall submit appropriate amendments. As I said the other day, these will not be to make the bill better for the government or for the opposition but to make it better for those who will be affected by it, the Canadian people.

Some hon. Members: Hear, hear!

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, the Minister of Labour (Mr. Mackasey) said that he was pleased to be able to bring in this bill. I am sure he was. I like him so much that I wish he would give himself about five times as much pleasure by bringing in a bill about five times as good as this one. This is another of those cases where there is nothing in it we can attack. There is nothing in it that is wrong. Nobody could vote against it. However, you can tell by the low-key debate we have had thus far tonight that there is no particular excitement about it. It is one of those cases of making a few improvements here and there on the basis of which the government will be able to say when the next election comes, "Look at what we did for the workers of Canada".

Mr. Perrault: That is the last thing on our mind; you know that.

Mr. Knowles (Winnipeg North Centre): As long as that remark by the hon. member for Burnaby-Seymour (Mr. Perrault) is put on the record showing the smile with which he made it, I do not mind. Perhaps before I get into the serious part—

Mr. Benjamin: Is this the humorous part?

Mr. Knowles (Winnipeg North Centre): —I wish to say a word or two about the claim that the minister made for one of his colleagues. Far be it from me to deny any man his pride of paternity, but I suggest that the President of the Privy Council (Mr. MacEachen) is not the only cabinet minister or Member of Parliament who should be given credit for being the father of labour standards legislation. After all, the Hon. Michael Starr brought in a couple of bills with regard to annual vacations with pay and statutory holidays with pay.

Mr. Benjamin: Look what happened to him.

Mr. Knowles (Winnipeg North Centre): The Hon. Milton Gregg brought in a bill dealing with equal pay for equal work.

Mr. Benjamin: He is not here either.

Mr. Knowles (Winnipeg North Centre): If we look back over the years we will find other pieces of legislation dealing with this kind of thing.

Mr. Horner: Didn't Mackenzie King do this sort of thing?

Mr. Knowles (Winnipeg North Centre): Yes, and before Mr. Starr and Mr. Gregg came to this place, this member for Winnipeg North Centre was bringing in these bills year after year.

Some hon. Members: Hear, hear!

Mr. Knowles (Winnipeg North Centre): Before I came here—and I now refer to an era that began 50 years ago—the previous member for Winnipeg North Centre, the late J. S. Woodsworth, was proposing this kind of thing. Let us give credit to the President of the Privy Council for being the minister in whose name the Canada Labour (Standards) Code was first placed on the order paper as a unified bill, but let us keep our history straight. A lot of people have been involved in this kind of legislation.

We must also remember that once this legislation is on the books, it will not apply to all the workers of Canada. It will only apply to those who are in industries that come under federal labour jurisdiction. This represents about 10 per cent of the work force. Perhaps it is a little higher if the public servants who are brought in by regulation are included, but it is still a very small section of the labour force of this country. For this to be universal, it would require constant agitation in all the provincial legislatures in order to get those bodies to bring in comparable legislation. It is quite true that it is in this place that a lead can be given. I hope the improvements that are before us tonight in this legislation will be noted by the legislatures of all the provinces and that they will make similar improvements.

I might also add as another preliminary remark that what bothers me about this kind of legislation is the number of loopholes that are always to be found in it—the exceptions it contains. For a number of years, we have had the Canada Labour (Standards) Code on the books. That provides for a maximum of 40 hours of work per week at which time overtime is supposed to begin. There have been a succession of permits from Ministers of Labour that have excepted some employers from that part of the Labour (Standards) Code. I notice that there are some of these things in the bill now before us, Bill C-228.

In the interesting section about the termination of employment where more than 50 people are turfed out at once, while some things must be done—I will deal with them in a few minutes—the requirement to do this can be waived by the minister if in his opinion it would be injurious to a particular industry or to the public. I do not know why we have to mess up good pieces of legislation with all these exceptions.

It is always a matter of concern how long it takes to get the regulations passed that are necessary to put this kind of legislation fully into effect. As the minister knows, because he has had to answer questions of mine about it here and in other places, he has the companion piece of legislation known as the Canada Labour (Safety) Code. The minister will recall, because he was then just a lowly Parliamentary Secretary to the Minister of Labour, that in December 1966 the then Minister of Labour urged us to get that bill through. He said it was important to get the law on the statute books to enable the regulations to be made. After all, people were being hurt, people were losing their lives because safety provisions had not been established.

• (9:00 p.m.)

We co-operated with the then Minister of Labour and with the then parliamentary secretary, the present Minister of Labour, in getting that bill through. That was in December, 1966. Now, in April, 1971, the minister still cannot point to a complete set of regulations under that bill. Mind you, he did express confidence a few days ago, when I questioned him about the matter, that these regulations would be completed before the end of 1971.

Mr. Benjamin: Well now!

Mr. Knowles (Winnipeg North Centre): It is quite an accomplishment, I suppose, to be able to announce that within five years these regulations may be complete. Of course, it is a complicated process. There is the Constitution to be considered. There is the question of the co-operation of the provinces, and the regulations must be thought out carefully so that no injury is done to a person as a result of sloppy drafting. But the point is that the effectiveness of good legislation can be offset by delay in working out regulations. I hope this will not be the case with the legislation before us tonight.

The minister was quite right to point out that several kinds of legislation are needed in this field. We noted with interest his reference to the Industrial Relations and Disputes Investigation Act, amendments to which he intends to bring in later. This is, of course, a piece of legislation which has a long history. It is a very important piece of legislation in that it lays down, in the main, the rules or the guidelines under which collective bargaining takes place. It is in the area governed by collective bargaining that the workers fare best. The minister is perfectly right in saying that it is not enough for us to provide good rules for collective bargaining because, after all, they deal with only 40 per cent at most of the workers of this country; we have to protect the unorganized, the other 60 per cent. There is, in my opinion, an unanswerable case for standards of the kind which are embodied in this bill and which ought to be matched by legislation on the statute books of every province.

I move on to some other features of this bill about which the minister and the hon. member for Hamilton West (Mr. Alexander) have been speaking. One which has been mentioned is the proposal to increase the minimum wage from $1.65 to $1.75 an hour. I wonder whether the Minister of Labour in his own way managed to arrange for this bill to be debated tonight on the same day the Prime Minister (Mr. Trudeau) announced that there would be an increase of $8,000 a year for ourselves. A minimum wage of $1.75 an hour for a 40-hour week would amount to $70, and for 50 weeks in a year, allowing for a couple of weeks' holiday, it would amount to $3,500 a year. As you know, Mr. Speaker, it was announced today that the increase to be granted to Members of Parliament, retroactive to last October, would be more than twice that amount, more than twice the total a worker would get under the new minimum wage.

It is so standard for us in this party to say that government proposals do not go far enough that there is a tendency by the government to pay no attention. In fact, their retort will be: Whatever we do, you will say it is not enough. Well, I have been saying it for a long time, and no doubt I shall be saying it for a long time yet. The reaction of the president of the Canadian Labour Congress to this figure of $1.75 an hour was that it ought right now to be $2.50 an hour. Perhaps I would be willing to compromise and settle for the figure in the bill I introduced last October. Mind you, the cost of living has gone up so much since then that I shall have to revise that bill. But I suggested $2.00 an hour. A vote was taken last fall in the committee on a proposition to that effect, and we came awfully close—I think there was a vote of nine to eight. We did not do quite as well back here in the House.

However, I suggest the House should take seriously the protest we are making from this quarter of the chamber even though the government might say: This is the kind of thing you do over and over again, and you have done it for years and years. It is still valid. It is not good enough to come before the House of Commons in April, 1971, and propose an increase in the minimum wage of only 10 cents an hour.

Mr. Benjamin: Liberals. Always behind.

Mr. Knowles (Winnipeg North Centre): The interjection is well to the point. I am waiting in case there are

more. I hope that in committee we can get this changed. It is a common situation around this place that whenever money is mentioned members on the government side sit back and enjoy the protection of the fact that because money is involved the opposition cannot move an amendment; that there cannot be a vote on the question. I have news for them. I want to make it perfectly clear that there will be a vote on this issue in the standing committee and, if we do not win it there, in the House at the report stage.

I say this because it has been established on many occasions that this proposal for a minimum wage is one which affects private employers who employ people who come under federal labour jurisdiction. It is, therefore, not something which involves the expenditure of money from the federal treasury and members of the House of Commons, even private members, have a right to move amendments. This will be done. We have no intention of going through the report stage content to settle for $1.75, when the president of the CLC says the figure ought to be $2.50. Certainly it ought not to be less than $2 an hour.

The Minister of Labour has departed from an undertaking he gave last fall. I do not regard this as a breach of faith; it is a case of changing his mind, but I think it is a mistake. He told us in the committee last fall that he would write into the legislation now before us a precise formula for upgrading the minimum wage. Now, instead, he has provided that beyond this $1.75 further changes are to be made by Order in Council on the recommendation of the Minister of Labour. I suppose he is asking us to accept this on the grounds that he is sympathetic to labour. He is sympathetic all the way up to $1.75 an hour!

• (9:10 p.m.)

He is asking us to believe that it is better to rely on getting an Order in Council to raise the minimum wage level than it is to take the time to get a piece of legislation through Parliament. He will appear before the committee. He is good at appearing and at answering questions, but I think he will have to make a much better case than he did tonight—though he did not even try to make one tonight—as to why he did not put into this bill a precise formula so we would know that when the cost of living index goes up and as the wage index goes up, out of these two in some combination there will be an automatic increase in the level of the minimum wage. These two things ought to be done: first, the present $1.75 should be at least $2 right now, if not more, and there should be in this bill an automatic formula for pushing the minimum wage up from here on.

I move to one of the other major sections of this amending bill, the part having to do with equal wages for equal work as between men and women. I welcome the idea—and the minister said this in his speech—of dealing with equality as between men and women, not by having special legislation for women which is what we had under the old Female Employees Equal Pay Act, for the very title of that act was a form of discrimination, but equality between the sexes must be covered by general legislation. Perhaps this is a technical or procedural matter, but it is a very important technical or procedural one to have in general labour standards legislation if there is to be equal pay for equal work.

An hon. Member: It is symbolic.

Mr. Knowles (Winnipeg North Centre): But as my parliamentary assistant in the back row is pointing out, this is highly symbolic.

Mr. Mackasey: He is a member of the Waffle group.

Mr. Knowles (Winnipeg North Centre): Oh, no. The minister has made some remarks about this, but under the old legislation the only way anything could be done about a case of unequal pay was if the affected employee made a complaint. Now the government is providing for a certain amount of inspection to make sure that inequality of this kind is not practised. I urge that as long as there are kinds of employment where practically all the employees are women and other kinds of employment where practically all the employees are men, there is not equality and something is wrong.

When we get into the committee on this bill one amendment I intend to move at the appropriate stage will urge that in any establishment where more than 80 per cent of the positions in any job classification are held by members of one sex, the minister should order an investigation of the hiring, training and promoting practices in that industry to see whether something can be done to provide a more equitable distribution of the job classifications between male and female employees. I do not think you can solve this problem by edict or law that says there must be 50 per cent men and 50 per cent women in every one of these classifications. I think there was something in the debate last week at our convention regarding that general proposition.

Mr. Mackasey: Who voted against women? Your heckler did; I saw him.

Mr. Knowles (Winnipeg North Centre): Don't worry about my heckler. He is one of my valuable parliamentary assistants. He does not get the $4,000 extra pay.

An hon. Member: I thought you were going to give him your share.

Mr. Knowles (Winnipeg North Centre): I have parliamentary assistants all over the House; my namesake over here, the hon. member for Burnaby-Seymour over there, and several others.

An hon. Member: Is he a member of the Waffle group?

Mr. Knowles (Winnipeg North Centre): The point I am trying to make—and my friends are just as serious about this as I am—is that if we are to do anything about achieving equality between the sexes in the work world, we have to work at it. We have to hold investigations to find out why certain patterns prevail. A fair amount has been done about this already. I refer to the investigation into the subject of sex in the Public Service. That was an

interesting study in this area. The work of Miss Sylva Gelber is extremely important.

I remember the days when we did not have any section of the Department of Labour devoted to the work of women, and some of us were advocating this away back in the early days. This has paid off and it has been very useful having somebody heading up that kind of work. The minister must not just rest with the idea of getting this legislation passed; he must work on the idea of equality between the sexes in the work force of Canada.

Related to the whole matter of equality between the sexes is the question of maternity leave as provided in this bill. This is another of those famous steps in the right direction. But let it be pointed out again that this bill applies only to those who come under federal labour jurisdiction. This provision is looked at sometimes as a companion piece to the pregnancy insurance coverage under the Unemployment Insurance Act. The difference there is that it covers women in the entire work force of Canada, and the maternity leave under this bill only covers women in industries which come under federal labour jurisdiction.

Let it also be pointed out that while this legislation provides for leave of up to 17 weeks, there is no pay connected with it. This is leave without pay. I am sure the minister will say that we are covering that by the benefits of the unemployment insurance provision. I can see that, and it is good. I do not quite know why the total number of weeks that is being allotted has to be a number of weeks before childbirth and a number of weeks after. Is the minister an expert in this area and is that what he is suggesting? There may be some expectant mothers who would work almost up to the time of childbirth and have a longer period afterward for nursing the baby at home, or what have you; but I think fixing the period before and after childbirth in the arbitrary way it is done in this bill is quite unnecessary.

An hon. Member: That is the only way—

Mr. Knowles (Winnipeg North Centre): The parliamentary assistant who is helping me now is not quite as helpful as the other one. That is the reason I pay the other one twice as much.

An hon. Member: What about equal pay for equal work?

Mr. Knowles (Winnipeg North Centre): Everyone knows what twice nothing is.

Mr. Horner: What if they have a miscarriage? Would they still get the 17 weeks?

Mr. Knowles (Winnipeg North Centre): The hon. member for Crowfoot (Mr. Horner) is not on my staff yet.

Mr. Horner: Will they give them another chance?

Mr. Knowles (Winnipeg North Centre): I am prepared to go along with the humour, but let us not forget that this is a serious business. Another provision of this maternity leave that puzzles me is the requirement that it is made available only in the case of a woman employee who has been in the services of an employer for one year. I do not see any point in that provision.

Mr. Mackasey: The employer won't hire them.

Mr. Knowles (Winnipeg North Centre): The minister says that an employer won't hire them. Surely an employer can tell whether a woman is pregnant at the time he is hiring her.

An hon. Member: It depends on how long.

Mr. Knowles (Winnipeg North Centre): Quite seriously, it seems to me that this is a different question altogether, whether the woman is hired at all. But if a woman is an employee and has a job, why should she not get the maternity leave if she has been employed only 51 weeks rather than 52? I think we can improve this provision when we get it before the standing committee.

Let me move on to that part of the bill which deals with termination of employment. These are new sections to be put into the Canada Labour (Standards) Code, and we welcome them. As the minister knows, this is another case of the government looking over private members' bills, seeing that there are good ideas in them and deciding to put them into legislation. The minister has picked up ideas from members on this side of the House quite often.

I notice that the provision regarding mass termination of employment really does not go much further than giving notice. You still lose your job. Granted, it is of some use for the Department of Labour, the Department of Manpower and Immigration and the trade unions to know it is happening. But is that enough? What about the whole question of pay? Perhaps the provisions in respect of two weeks' pay for individuals laid off, or severance pay for those with five years' service still apply in the case of mass lay-offs, but as I look at the bill this does not seem to be very clear.

• (9:20 p.m.)

Then I wonder why the minister has chosen the figure of 50. Why only if 50 or more are being laid off is this procedure to be complied with? It seems to me the figure should be much lower. I would make it as low as ten. If ten or more people are being laid off, this provision should be complied with. This area in the bill seems to have three main parts. There is the case of what happens if 50 or more people are laid off, and I said I believed it should be down to ten. Then there is the part which deals with individual employees being laid off who get two weeks' notice or pay in lieu of notice if they have been working for the same employer for three months. That is good and it has pretty well been taken out of bills presented from this side of the House. Then there is the other provision about severance pay which also is good. This, however, is allowed only in the case of employees who have been five years with the same employer.

We are in an age of great shifting around as a result of changes due to automation, computers and all the rest of it, and as time goes on this trend will probably be even more striking and the number of people who work for

employers for periods of less than five years will grow. I suggest the period should be much less than it is. The whole area in this bill having to do with termination of employment and severance pay is new. It is good. It was not put in when the President of the Privy Council brought in the legislation five or six years ago. Precisely because it is new I think it should be dressed up a bit and I hope we can deal with it appropriately in the standing committee.

In the statement he made this evening the minister said that the Canada Labour (Standards) Code covers a number of other things such as vacations with pay and general holidays, as well as one or two others. Then he said that although we are not changing the standards that are already in the legislation having to do with vacation pay and general holidays, some of the regulations are being changed. This is correct. I have looked over the bill and I see there are a number of instances in which definitions are being changed to make certain that employees get the two weeks' vacation a year provided in the legislation, general holidays, and so on. The minister is nodding to indicate that I am interpreting it correctly. But so far that is all the minister is doing in the bill with regard to vacations with pay and general holidays. Let me give him notice of amendments. We have brought in amendments before, and we can do it again. On occasion our amendments have even been accepted.

On the question of vacations with pay, when the hon. Michael Starr first brought in his bill it provided for one week's vacation after one year of service, and two weeks' vacation after two years or more of service. That did not seem to us to be good enough and we persuaded the Liberals when they returned to office to improve it so that it would be two weeks after the first year of service. It is slightly improved now. It is now two weeks for a year of service, so they do not get caught with the use of the word "after". There are some jurisdictions in this country where for longer service there is a longer vacation.

I have a bill on the order paper which I believe is a minimal proposal. It asks for vacation with pay of three weeks after three years' service. It is so little I am almost ashamed to be asking for it. An employee would have to work three years with the same employer before he would receive three weeks' vacation. At least, it is better than two weeks, and I say that no Labour (Standards) Code is worthy of the name if it does not have at least that minimum in it. I have a private member's bill which would provide for that. I do not know whether it will be reached this session, but if so it will be talked out, because that is the usual fate of such bills. I am grateful to the minister for bringing in this bill amending the Labour (Standards) Code, because in it he touches on the question of vacations with pay and I think this will give us an opportunity to move an amendment in the committee.

The same thing applies to the question of general holidays. The bill the President of the Privy Council brought in five or six years ago had a proposal in respect of seven general holidays. In the committee of the whole we were able to get an amendment through which provided an eighth holiday, Remembrance Day. The public service has more than eight general holidays in the course of a year, and there are some other areas of employment where this is also the case. It seems to me the time has come to increase the number to at least nine. I hope this is one of the improvements we will make to the legislation when the bill reaches the Standing Committee on Labour, Manpower and Immigration.

I see, Sir, that I have not used up all my time, but that is no reason to stay on my feet another five minutes. I am sure my valuable assistants in the back rows are itching to get to their feet, and also members in other parts of the House, so I shall resume my seat. If I have not been able to make the rafters ring about this legislation, I hope at least, with the assistance I have had from all sides of the House, I have been able to make my point.

I make the point as strongly as I can that we should not be satisfied just because we have a bill which makes a few improvements. It does that, and I give the minister all the credit he has already asked us to give him for doing it. But I say, why stop there? We do not amend the Labour (Standards) Code very often. Times now move a lot faster than they did when this type of legislation was first introduced. In view of the fast way in which times are moving, I hope we will make all the improvements in this bill which I have suggested when we get to the committee, and a few more so that when we come back and the minister rises to move third reading he will be able to say—I shall draft his little speech for him now—"It gave me a great deal of pleasure to introduce this bill for second reading, and it gives me infinitely more pleasure to move its third reading because the job the members in the committee have done has made it very much better."

• (9:30 p.m.)

[*Translation*]

Mr. Charles-Eugène Dionne (Kamouraska): Mr. Speaker, the Canada Labour (Standards) Code is the legislation establishing the minimum standards governing the basic conditions of employment in industries under federal jurisdiction. There are approximately 530,000 employees in the industries governed by the Code, whose standards also apply to the federal public service as a governmental policy.

The initial legislation of 1965 established the minimum standards governing salary rates, working hours, overtime pay, leave with pay and statutory holidays.

Under the current provisions of the Code, the bill proposes for the first time the creation of standards concerning maternity leave, notice of employment termination, severance pay and garnishment. It provides for major changes in existing standards with respect to the minimum wage and equal pay for equal work. It contains a number of other changes.

These amendments would increase the minimum wage, in the field within the ambit of federal authority, from $1.65 to $1.75 per hour, effective July 1, 1971. They would also permit the governor in council, upon recommendation by the Minister of Labour (M. Mackasey), to increase

the minimum wage in the future. The normal duration of work is eight hours a day and 40 hours a week, with a maximum of 48 hours a week. The minimum rate applicable to work performed over and above normal working hours is half as much again as the normal rate.

Minimum annual leave is set at two weeks per year, and the minimum number of legal holidays with pay is eight per year.

Representatives of the Department of Labour would have to watch very closely the terms of the application of the act and regulations. One only has to look at the list of the employers who have asked that the application of the Labour Code to their organization be delayed, to understand what I am referring to.

Close to five years after the passing of the act in Parliament, there still are workers who are required to work a weekly number of hours which go far beyond the provisions of the Code and there are still too many employers who are reluctant to effect salary adjustments.

I could quote various instances with regard to employees of the CNR, especially those extra gangs doing seasonal work on branch-line construction or road repairs. Indeed, the number of hours worked does not always comply with the requirements of the Code.

The industries to which the Code applies are, I think, the railroads, truck transportation, pipeline construction, water transportation and other key services relating to water transportation of an interprovincial or international character; air transportation, interprovincial or international telephone, telegraph and cable systems, radio, television and banks.

Establishing a minimum wage level and standard hours of work does not result from collective bargaining involving employees of a given industry or service. It is however quite normal to link to such a minimum wage factors which cannot be ingored, such as cost of living, income of the worker and his ability to provide his dependents with a decent style of living, should he assume the responsibilities of a family.

Quite clearly, the rate of $1.75 per hour is inadequate. However, the adjustments of wage rates provided in Bill C-228 can serve as an example to provinces where the minimum wage is lower than $1.75 per hour. The minimum hourly wage set up in the various provinces in Canada varies between 85 cents and $1.50, except where there have been adjustments. The highest level in force is in British Columbia and the lowest in Newfoundland, namely $1.10 for men and 85 cents for women, which is ridiculous in 1971.

I am very happy to see that Bill C-228 provides for periodical reviews of minimum wage taking into account, I trust, economic fluctuations such as the cost of living, the devaluation of money or other factors that reduce the worker's purchasing power.

It would no doubt be profitable to the legislators to examine their conscience which would allow them to realize that the workers' claims are often inspired by example given them in various places.

As they note that fairly substantial salary raises are obtained in high places without any slow bargaining nor detrimental strikes, which people try to justify by puting forward the constant increase in the cost of living, workers are inevitably led to wonder why there is so much tendency to niggardliness when it comes to ensure them a salary which will allow them and their families a decent living.

When the employees of the Canadian National, particularly those who have no adequate salaries and working conditions, note that a group of public servants travel in special cars built at a cost of half a million dollars or more, they are incensed. These cars which are extremely comfortable and furnished most luxuriously are used regularly by one group of officials on their travels, whether short or long, where they are joined by friends who take part in the treat, and this at the expense of the Canadian people who will pay in the end for these festivities taking place in *picnic cars* where the variety of bottles would make Bacchus himself jealous. These are luxury trips, at the expense of the taxpayers.

Should such special car service be discontinued, nearly four to five million dollars would be saved each year.

When workers realize that the railway president is earning $75,000 a year and that on retirement he is going to receive a $26,000 pension, they are certainly justified in demanding normal working conditions—at least those who look after track maintenance—and more suitable accommodations after an exhausting day of work. Bunks are no longer adequate in an era of research within the field of comfort.

I give that example to show that too often privileged people seem to forget the worries of workers who are often compelled to put up with working conditions which could be greatly improved. I could give a great many more examples of that kind. Obviously, a large number of grievances are sometimes quite difficult to solve.

• (9:40 p.m.)

Some responsible people have carried out investigations in different services and their reports show that not only have they determined the causes of certain problems but they have also offered suggestions that should be of help to the legislators when legislative measures establishing the rights of both employers and employees are to be amended or adopted. Some hon. members have had experience with the problems of workers and so their views should be taken under consideration without partisanship and at the right moment in order to correct the intolerable situation reflected in a series of strikes which, in most cases, are prejudicial to the workers, and which always have an unfavourable effect because they spread economic disorder.

This trend toward centralization often makes one forget about the efficiency of human communications which are required for appreciating employee's grievances. An ever-alert consultation mechanism must necessarily be created and maintained, especially when changes must be introduced in working conditions. Sacrificing the morale and well-being of employees to an ideal of efficiency or service is not normal.

Some important factors must be taken into account when working conditions have to be established. One must not lose sight of the fact that the employee is a human being and not a machine, that he seeks security and stability. He generally wants his working place to be well organized and managed and it is only right that he be treated in all fairness. The employee also wants to be informed about the state of his company's business, which makes him sure that he can expect a fair income.

Those are basic realities about the human being, that an active labour relations service must try to understand and correct, if required. In order to do so, we shall have to come to grips with a difficult problem because this is a purely abstract matter which covers the attitude of people, their motivations, interests, fears, personal problems and what is most flexible, the human being. However, if everyone tries to understand his role, it is highly possible that all those concerned will reach agreement as they would all like to.

Following industrialization, workers have pratically become proletarians and they were forced to sacrifice to big undertak.ngs their legitimate desire to be their own masters, as yesterday's economy allowed them to be.

Therefore it seems that modern industry should provide workers with some compensation for the sacrifices they endure and for the alienation of their freedom.

Workers have less security than they had before. Technology, automation and competition between producers constantly threaten them with unemployment, its miseries and privations. The worker therefore feels dispossessed, and becomes bitter, specially when he realizes that big industry subordinates the fate of the worker to efficiency, that is to the return on its capital.

The word "dialogue" is very much in fashion in our modern society. It means that people with differing opinions have the opportunity of exchanging views with others. Still, the real problem lies with persuading each one of the parties to listen to the ideas of the other, then to revise and question his own. Perhaps we should adopt as a slogan to speak less and listen more! When everyone speaks at once and no one listens, there is no communication, only noise.

In this chamber the rules state that only one member may have the floor at a time. However, this does not always establish a communication of ideas. In a corporation, we see that if the boss does not listen to the workers, the workers will not listen to the boss. If university administrators do not listen to the students, the students will not listen to the administrators.

And if the government does not listen to the representatives of industry, industry will not listen to the government's representatives. Often it happens that the government and labour do not speak the same language, especially when talking about the government's wage policy and the workers.

These are terms that many people use with different connotations. I recently came upon an editorial written by Mr. Jean-Paul Desbiens in the March 31, 1971 issue of *La Presse;* this article is quite appropriate to the circumstances. It says:

> The need for rationalization leads on the one hand to centralization and, on the other, to longer and longer collective agreements. Contrarily to living beings, collective agreements never discharge any waste. Moreover, negotiators—whichever side of the table they may sit on—tend to develop the habit of endlessly polishing old clauses while inventing new ones. All parties argue about where a comma should be placed and run the risk of forgetting the basic aim of collective agrements, namely to humanize labour relations.
>
> In fact, relations become more and more entangled in formality and pettifogging. Instead of mapping a safety zone for everybody, collective agreements become a mine field.
>
> Nobody realizes how beneficial it would be to administer a good purgative to the old collective agreements. After all, collective agreements are not unlike pharmacies: about three quarters of the pills could well go down the drain without the citizens being affected in their health.

It is unfortunate to note sometimes that people who should be interested in maintaining good relations are not as anxious to fulfill their responsibilities as they are to claim their rights. Many problems would automatically be solved if people were more concerned about putting into practice that good old law of compensation which says that well-done work should be rewarded. With the new production methods used in this age of automation, a good number of workers are prone to demand high pay for little work, with the result that in the different administrative services, there are function-holders who are not "functioning". Some could be compared to the big books in a library, the higher ones being often the ones that are used less.

I cannot help quoting the conclusions of a humourous observer, published in a newspaper, where he gave the best way of testing the reactions of an inanimate civil servant. The article was published on September 7, 1969 under the title "Dead or Asleep" and I quote:

> As many service directors in the Public Service find it hard to know whether some public servants are dead or merely asleep, they issued the following memorandum: "Any public servant found seated after his death shall be summarily struck off strength in accordance with Rule 3043, paragraph P, section 8. On account of the great sensitiveness of our employees and of the great resemblance between death and their usual position, the inquiry must be made quietly so as not to wake up the employee, should he be merely asleep. If, after the inquiry, there is any doubt about the employee's condition, hand him a cheque. Should there be no reaction, it means he is dead. In some cases, the stretching hand instinct is so great that a *post mortem* spasm could occur. Be careful not to be misled.

To those who are under the impression that all problems, such as salary adjustments, unemployment insurance benefits and others can be solved through a computer, allow me to quote in conclusion the point of view of a contemporary observer:

> A modern computer is an electronic wonder that makes extremely complicated mathematical operations in one ten-thousandth of a second and sends its results ten days too late.

I wish also to add that I support the passing of Bill C-228, as it is a step toward improvement and I have good reasons to believe that its study in committee will contribute to the clarification of its content.

Canada Labour (Standards) Code

[*English*]

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, I welcome the opportunity to participate in this debate and to give my unqualified support to second reading of Bill C-228. This bill is an indication of the government's concern for the workingman. I am pleased to note that not only are we improving the present legislation but are branching out into a new field, namely, legislation providing for severance pay. I am sorry that time will not permit me to touch upon every area covered by the bill. Circumstances limit me to commenting on only one or two areas. However, from looking over the bill one cannot help conceding that it is legislation with which parliament should be concerned and should be happy to support.

• (9:50 p.m.)

As a former lawyer, I welcome the proposed amendment which would prohibit an employer dismissing, suspending or laying-off an employee solely on the ground that garnishment procedures have been or may be taken in regard to the employee's wages. It was inconceivable to me that an employer, because he was put to some additional bookkeeping, would see fit to terminate a man's employment because his wages had been garnisheed. In many cases the garnishee was not warranted nor, in fact, was it allowed by the court. Quite often the threat only that a garnishee proceeding might be taken would force debtors into a position of entering into unconscionable transactions in order to protect their jobs. I am pleased the government has seen fit to remove this form of legal blackmail which has been too readily available to creditors.

Mr. Speaker, I now want to say something about the proposed federal standard dealing with severance pay. It is my understanding that there is no existing federal or provincial legislation in respect of severance pay. It would be my guess—I do not have the statistics—that a large percentage of employees working under major collective agreements in Canada are covered by severance pay plans of some kind. It would also be my prediction that the proportion is almost certain to increase because of the interest in job security that is manifesting itself.

Mr. Horner: The uncertain times of today!

Mr. Cullen: Mr. Speaker, if the hon. member for Crowfoot (Mr. Horner) wishes to speak, I shall be happy to yield the floor. He is interrupting everybody tonight, but I feel honoured that he has listened. I shall continue as I have only five minutes left, but I should like the hon. member to sit down or go outside the House.

Probably the most common type of plan provides for payment to employees with one year's service of severance pay equal to one week's pay for each year of service up to a maximum period. To me this is one more indication of the benefit or responsible collective bargaining and is the kind of thing union leaders should be looking for when negotiating on behalf of their members. The government has recognized its responsibility to workers coming within federal jurisdiction who do not—

[Mr. Dionne.]

Mr. Horner: Can you read the parliamentary secretary's note?

Mr. Cullen: The parliamentary secretary's note says, "Don't let Horner bother you. He has been talking like that all night."

Mr. Horner: I did not know I was so effective.

Mr. Cullen: —have the benefit of a collective bargaining agreement or membership in a union. In Bill C-228 we have provision whereby an employee whose job is terminated for reasons other than just cause, and who has completed five consecutive years of employment with the same employer, shall be entitled to severance pay of two days' pay at his regular rate for each year of continuous service up to a maximum of 40 days' pay. Employees who are entitled on termination to an immediate pension under a registered pension plan, old age security, and so on, are not entitled to receive this severance pay as a matter of law.

The bill goes on to define what a lay-off is. It is my impression, Mr. Speaker, that no one can properly attack the principle of severance pay under this bill. I suspect that members of the opposition will see fit to find ways of suggesting a shorter period of time in which an individual would have to be employed. That is only natural, and I think if I were sitting over there I would be making this kind of representation to the government. It is my feeling that the Department of Labour under this particular minister cannot be accused of "stand-patitis." I think the legislation that we have here is the kind that all members of the House will welcome, and if it is possible to improve it at committee stage I hope that improvements will be made.

I was particularly impressed with the provision in the bill covering mass lay-offs and the responsibility that employers in the federal field will have to face in the future. They will have to recognize that some attempt must be made to help individuals. Recently Polymer Corporation found it necessary to lay off 47 employees at a plant called Kayson Plastics and Chemicals, Limited. Rather than simply laying off these employees and letting them find their own jobs, they decided to notify the government two or three months in advance so that they could take advantage of the opportunities under manpower training and the Department of Labour of Ontario. They set up a citizens' committee, and in addition appointed an individual who is described in the *Financial Post* of February 20, 1971, in the following way:

> Another key Polymer move has been the placing of an employee relations official from Sarnia into the Kayson plant.
>
> The man is Pat Muise, a warm ex-Cape Breton coal miner. His assignment: find jobs.

This man canvassed industries and plants in the area and found 13 jobs that had not been previously advertised. This has cost Polymer something like $1,000 per job. The headline of the article, written by John Schreiner, is "The $1,000 Goodbye: How to Turn Layoff Into Jobs". The Crown corporation has set an admirable precedent.

The legislation we are discussing today is the kind that we should be dealing with in this House. I welcome both the initiative of the government, and the initiative of a Crown corporation which found itself faced with having to lay off employees and saw that they obtained other employment.

Mr. Horner: Mr. Speaker, I was prepared to say a few words on Bill C-228, but as it is approximately ten o'clock may I call it ten o'clock?

Mr. Deputy Speaker: The hon. member may call it ten o'clock if there is unanimous consent. Is there such consent?

Some hon. Members: Agreed.

PROCEEDINGS ON ADJOURNMENT MOTION

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

OIL—PROPOSED TRANS-ALASKA PIPELINE SYSTEM—EXPRESSION OF CANADIAN OPPOSITION—PARTICIPATION BY BRITISH COLUMBIA IN MEETING WITH UNITED STATES OFFICIALS

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, without question one of the most important issues facing Canada today concerns the manner in which another country is moving oil from one part of its domain, namely, Alaska, to the great markets of the southern portion of the United States. This question concerns the protection of the ecological heritage of this country, it impinges on considerations of our political sovereignty and it has significance in consideration of our own natural resources and our commercial politics and postures generally.

It is regrettable that in dealing with so vital a matter of concern to our own and succeeding generations the government of Canada displays a lack of purpose, a lack of consistency, a lack of vigour and at times, one fears, a lack of concern. We are advised that on May 3 a meeting is to be held with United States authorities on the matter. But what will the Canadian representative say at that meeting? What view or views will be presented or represented? When I asked the Prime Minister (Mr. Trudeau) on April 21 if there was a cabinet-wide position on the TAPS route, he replied immediately, "No, Mr. Speaker, the subject has not been the object of policy by the government." So if the government has no policy—and this I readily believe—what will be the role of the Secretary of State for External Affairs (Mr. Sharp) at this major meeting?

• (10:00 p.m.)

From various ministers we have had a wide spectrum of views. The Secretary of State for External Affairs has declared that he wants the TAPS route rejected. The Minister of Public Works (Mr. Laing) ponders aloud as to the right of Canada even to question the American government on the movement of oil down our west coast, considering tanker movements on our own east coast. The Minister of Indian Affairs and Northern Development (Mr. Chrétien), and that ebullient, effervescent gentleman the Minister of Energy, Mines and Resources (Mr. Greene) go awooing American big business, suggesting that the Mackenzie Valley route is the best of all possible solutions. But the Minister of Communications, (Mr. Kierans), not one of the silent, strong members of the cabinet as is the President of the Privy Council (Mr. MacEachen) at the moment, declares that a pipeline down the Mackenzie Valley would be a disaster. Out of all this array of variance, uncertainty and contradiction, how can anyone believe that there could be coherence or consistency on this vital question among the group of people now in charge of this nation's affairs?

I suggested to the Prime Minister the other day that since the British Columbia government and legislature had a clear point of view on this matter—unlike the government of Canada—steps should be taken to have the British Columbia government represented at the May 3 meeting. Then at least the people of British Columbia and the rest of the country would have some assurance that someone at least knew what they supported and knew what they opposed.

The danger of ecolocatastrophe on our west coast should be sufficiently frightening to stir the government into united action and strong representation to the United States authorities. I hope that after all the weeks and months of vacillation, contradiction, uncertainty and pusillanimous utterances, such a policy and such a voice will be forthcoming in time.

Mr. Barney Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I am delighted to respond to the question posed by the hon. member for Hillsborough (Mr. Macquarrie) who has expressed concern about this rather important problem. The Prime Minister (Mr. Trudeau) has expressed the government's very serious concern about the risk of pollution if the Alaska route is adopted. It was for this reason that the Secretary of State for External Affairs (Mr. Sharp) requested consultation with United States officials, and as the hon. member has stated this will take place in Washington on May 3.

We have been in touch with the government of British Columbia on this question and it has been established that British Columbia officials will be participating in the Canadian delegation. This will also include officials from the Department of External Affairs, the Department of Transport and the Department of Fisheries and Forestry.

The consultations are on the problem of pollution and will deal with such matters as conditions relating to navigation, volume of oil which should be moved, drift in case of accident, effect on marine life, legislation and financial considerations. The Canadian interest is to prevent any damage to the natural environment more than with the problem of how we should clean up oil spills once they occur. We are seeking facts. There is a legitimate worry about the danger which a massive movement of oil would present to the natural environment. It is important that full information be assessed before action is taken which could prove detrimental to both countries.

The hon. member suggests that there is no policy. There is no policy by the "seat of the pants". This government does not make policy in that way. Its concerns are deep and long-range. The hoped-for establishment of a ministry of the environment is a true indication of the government's concern in this area, together with the designation of one of the most able ministers ever to serve this country as minister of that department. So I think lack of coherence, consistency or concern, to use the hon. member's own words, does not exist. This is a time for thoughtful consideration, for consultation and for positive action stemming from well thought-out policies; and I think the hon. member will find that this will be the case.

[*Translation*]

PUBLIC SERVICE—DEPARTMENT OF NATIONAL HEALTH AND WELFARE—ALLEGED PREFERENTIAL SALARY TREATMENT FOR TORONTO EMPLOYEES COMPARED WITH QUEBEC

Mr. Roland Godin (Portneuf): Mr. Speaker, on Wednesday April 21, I asked the Minister of National Health and Welfare (Mr. Munro) the following question as recorded on page 5118 of *Hansard:*

> Is the hon. minister aware of serious complaints lodged by federal civil servants employed in the family allowance branch in Quebec City, to the effect that because of the department's practice of classifying employees doing the same kind of work, the officers on duty in the Toronto office receive $1,000 more annually than those in Quebec City?

I asked this question because in the Quebec region, we are always astonished at the difference between salaries paid by this department to its Toronto officers and those paid to the Quebec officers who belong to the same category.

This has already caused some protests on the part of the Quebec officers who know their rights are not respected.

At that time, prior to the integration into this department of certain employees of the Department of Supply and Services, the Quebec officer working in the "transfer" unit was classified CR 2 with a salary of $4,900 whereas an officer with the same position in Toronto was classified CR 3 with an additional $1,000 per year.

The Quebec officers lived through a moment of hope when the right hon. Prime Minister (Mr. Trudeau) stated his election program in 1968, namely the establishment of a just society.

Perhaps the Prime Minister found pleasure in detailing his program. However, I think time has come to point out that the situation is still deplorable for the Quebec officers who are disgusted and tired of paying for other people.

Does the minister know that this kind of operation enabled the Quebec City office to record an administration surplus of $107,000 for the year 1969-70 and that this amount was transferred to Toronto, enabling the local office to grant salaries as those I have already mentioned?

Did the department give instructions to that effect or was there an understanding involving both offices exclusively? Why does the reclassification revision office tolerate such an injustice? How can the revision officers allow themselves to act in a way that leads us to question their ability and their intentions?

Does the minister know that two people went to the Quebec City office to inquire after the employees had informed of their grievances the former union leader the hon. member for Langelier (Mr. Marchand)?

Can the minister explain why the report that was to follow the inquiry was never made available to the interested parties?

Does the minister recognize the principle of equality: equal work, equal pay?

Can the minister tell us whether he intends to take into consideration the greater merit of the Quebec City office employees, who are bilingual and can therefore discharge their duties more quickly than their Toronto counterparts who must wait for the return of their correspondence which is translated through a special service?

I doubt that the minister is in possession of all the necessary information that would enable him to reply satisfactorily, since I am convinced that many things have been hidden from him until now. Therefore, I beg leave to suggest to the minister not to try and wash his hands of this business as Pilate once did.

This is too serious a question for me to expect a final answer today. In my view, this matter should be studied in depth. May I take the liberty of advising the minister on the choice of the investigators. He might prove to us his wish to really solve this problem in conducting a personal investigation which, all in all, should only require a few days, provided he contacts the people affected by this monkey business.

The best report could be prepared with co-operation of the victims of this hanky-panky, that is employees of all levels in the Quebec City office, who are in a position to provide him with all the details on this unfortunate situation.

If the Department of National Health and Welfare recognizes that family allowances and old age pensions should be paid at the same rate for both Quebec and Ontario residents, I submit that the minister should also recognize the need for paying the same salaries to his employees who operate under a classification which I feel should be the same throughout Canada.

• (10:10 p.m.)

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, I am happy to answer the question of the hon. member for Portneuf (Mr. Godin). I must commend him for the excellent electoral speech that he has just made. He referred to a just society, and I should like him also to be just to society.

Yes, Mr. Speaker, we have been informed that 49 employees of the family allowance branch for the province of Quebec, located in Quebec City, filed grievances to complain about the difference in levels of classification that exists between employees in Quebec City and Toronto.

Mr. Speaker, these grievances were examined through the usual procedure and French-speaking classification officers of the Department of National Health and Welfare inquired, together with officers of the Department of National Defence.

The organization and classification of employees in Quebec and Toronto working for the family allowance branch in Quebec City are the same and, accordingly, the grievances presented were rejected.

[*English*]

NATIONAL PARKS—SHIP HARBOUR—PREVENTION OF LAND SPECULATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, I wish first of all to thank the minister for having stayed this evening. The issue I wish to bring forward arises from two brief questions I put to him, as reported in *Hansard* on April 21 on page 5122, having to do with reports and suggestions which are reaching my office in considerable numbers expressing concern and alarm over what appears to be land speculation in connection with a proposed park at Ship Harbour.

My purpose in being here tonight is to illicit certain information from the minister, not necessarily to emphasize the aspect I have just mentioned. I am sure that if there is anything of that nature going on, the minister and the federal authority will take steps accordingly, even though at this stage it would not be a matter of particular concern to them directly but one of indirect concern.

I should like to ask the hon. gentleman one or two simple questions. The answers to them, or the reaction to them, would go a long way toward bringing to an end the concern which arises when people are not kept advised of a situation. The first question is this: Why has there not been any form of communication with the public in the area concerned, in a public way, for more than a year? About a year ago the citizens of the area became sufficiently concerned to cause a public meeting to be held. Certain public officials attended that meeting and as a result a good deal of misunderstanding was cleared up. A year has now gone by and no attempt has been made to repeat this process.

My second question arises from the general vagueness which seems to surround the question of a third national park in Nova Scotia. There has been a clear indication in correspondence and from the provincial authorities that there will indeed be a third park in the province and that planning is in progress, but as yet there has been no public announcement by the minister to the effect that the federal authority has decided to go ahead. I think the minister should first call a meeting and, second, inform us whether it is intended to provide a park. He should have the common sense to tell the people in the area concerned what the boundaries are to be. This is the only way in which it is possible to establish a park with minimum disruption to the people directly concerned and with minimum benefit to those who might use information, possibly coming from provincial offices, for their own advantage. This could put them in the position where they would go around the countryside buying up land they knew, or had reason to believe, the provincial government might buy for the purpose of developing a park. Some indication from the minister about these three very brief points would be very welcome.

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I thank the hon. member for giving me notice of this debate but I am afraid I cannot help him very much. We are embarking upon a very aggressive campaign to establish more national parks in Canada. In 2½ years we have succeeded in establishing six new national parks, compared with only four in the previous four years.

It is true that we are negotiating with the government of the province of Nova Scotia in respect of a national park there. Those who want to speculate can do so, because we do not know yet where the third national park will be if one is agreed upon. The hon. member will realize there are other factors to be kept in mind. We are receiving proposals from all parts of Nova Scotia, and Ship Harbour is one of the possibilities. We have not come to terms with the administration about the second national park in Nova Scotia, so we do not know where it will be situated.

There are all sorts of factors involved in any purchase from the province by the federal administration. We have to decide on the kind of park it should be, and so on. There will be a national park in Nova Scotia because we have to preserve some of the land along the coast. I understand that much of this land is being purchased by Americans and I think it is our duty to put some aside for future generations. I should like to see a third national park in Nova Scotia, but I cannot speculate about it as we have not yet come to terms. Perhaps the people who are purchasing this land will hold on to it. We are not advising anyone to buy this land right now, because they could turn out to be losers.

I indicated to the hon. member that I would convey his remarks to the provincial administration which controls the land, and this is in the process of being done. I thank the hon. member for raising this matter. I hope we will have a third national park in Nova Scotia, but I cannot say it will be at Ship Harbour or anywhere else. Nova Scotia is a very beautiful province and many places could be used for national parks.

Mr. Bell: Don't forget New Brunswick.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Tuesday, April 27, 1971

The House met at 2 p.m.

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF REPRESENTATIVES OF PEOPLE'S CONSULTATIVE CONGRESS OF INDONESIA

Mr. Speaker: This House has the honour and pleasure of welcoming today a most distinguished parliamentary figure and a national hero in his own country, General Abdul Haris Nasution, Chairman of the People's Consultative Congress of Indonesia.

Some hon. Members: Hear, hear!

Mr. Speaker: General Nasution is concluding a nine-day visit to Canada, accompanied by his beautiful and charming wife, Madame Sunarti Nasution, as well as by Mr. Mustamin Matutu, a Member of the Congress, and Lieutenant Colonel Supolo, Secretary to the Congress. They are in the Speaker's Gallery today with His Excellency the Ambassador of Indonesia and Madame Bandoro.

Some hon. Members: Hear, hear!

Mr. Speaker: These honoured guests have visited a number of Canadian cities before coming to the capital city. It is the hope of this House that their tour has been enjoyable, that their many contacts with Canadians from all walks of life have proven useful, and that they take away with them many pleasant memories of their visit. We want to assure them of our own personal and enduring friendship.

Some hon. Members: Hear, hear!

* * *

• (2:10 p.m.)

[*Translation*]

PRIVILEGE

MR. FORTIN—CONVERSION OF COQUALEETZA HOSPITAL INTO COMMUNITY CENTRE

Mr. André Fortin (Lotbinière): Mr. Speaker, on March 24 last, I asked the Minister of Indian Affairs and Northern Development (Mr. Chrétien) a number of questions concerning the conversion of the Coqualeetza Hospital into a community centre and the related family and social problems. The minister's answers to these questions are recorded on page 4566 of *Hansard*.

On March 24, the minister replied that no decision had been made as to the conversion of this property, further indicating that three proposals had been made by the Indians, that his department was studying each of these proposals and that the government would make a decision later. May I quote the minister's words:

—We are not, however, in a position to give an answer at this time.

Now, the same day, Mr. Wilbur T. Campbell, president of the North American Indian Brotherhood of British Columbia and of the Coqualeetza Community Centre received a letter from Mr. Bergevin, Assistant Deputy Minister of Indian Affairs and Northern Development, stating quite clearly that a decision had already been taken and would stand.

Mr. Speaker, I contend that the House has been misinformed, as I have been myself, and that this prevents us from making the representations that should be made at this level.

I, therefore, move, seconded by the hon. member for Abitibi (Mr. Laprise):

That any decision be withheld until the conclusion of a thorough investigation regarding the conversion of the Coqualeetza Hospital into a community centre.

Mr. Speaker: The hon. member can only move this motion to the extent that the Chair recognizes that this is a question of privilege. I suggest to the hon. member that this is not a matter of privilege, at least, not a prima facie case. It seems to me that the hon. member could obtain the information that he is seeking in some way other than through a question of privilege.

In any case, I suggest to him that the motion that he is moving is a substantive one, and not one of privilege, and that, in these circumstances, it cannot be put before the House.

ROUTINE PROCEEDINGS

MISCELLANEOUS PRIVATE BILLS AND STANDING ORDERS

First report of Standing Committee on Miscellaneous Private Bills and Standing Orders—Mr. Forget (Saint-Michel).

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

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TRADE

TABLING OF AGREEMENT WITH FEDERAL REPUBLIC OF GERMANY ON SCIENTIFIC AND TECHNOLOGICAL CO-OPERATION—STATEMENT BY MINISTER

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, pursuant to Standing Order 41 (2), I should like to table, in the two official lan-

guages, copies of an agreement between the government of Canada and the government of the Federal Republic of Germany on scientific and technological co-operation.

Mr. Speaker, I had the privilege last week of leading a trade and industry mission to the Federal Republic of Germany. The mission was made up of 28 leading businessmen representing a wide range of interests, and a group of senior federal and provincial officials. Our purposes were 1) to sign this agreement, developed earlier by a science-technology mission of scientists and officials from business and government, 2) to develop closer economic relations of every type between Canada and the Federal Republic and 3) to discuss with the German government bilateral, European and multilateral trade problems.

This new scientific and technological agreement is similar to those with Belgium and the USSR which we have concluded this year. Its aims are to encourage the exchange of information and research; to facilitate the movement of scientists and technologists; and, through the exchange of knowledge and experience, to contribute to Canada's trade and industrial development and to the growth of our exports of advanced industrial products and services.

I might add that the science and technology mission had identified a number of areas of collaboration with Germany which are particularly promising for Canada—computer software, oceanography, geophysics, metallurgy, construction techniques, to name only a few.

The choice of business representatives on the mission I led was related to these promising areas for trade and development as well as other sectors of mutual interest. The business members of my mission travelled widely throughout Germany, for private meetings with manufacturers, bankers and prospective investors. They developed new contacts which are expected to lead to increased trade, to the introduction of new technology into Canada, to licensing agreements, joint ventures, new investment and to other forms of co-operation between the business communities of the two countries. The businessmen were well pleased with the opportunities the mission was able to develop. A detailed report on these opportunities is being prepared and will be released when it is completed.

While the meetings between business men were proceeding, I held discussions with the German Ministers and/or State Secretaries of Economics, Science, Foreign Affairs and Defence and their officials; and with the Governor of the German Central Bank.

[*English*]

Accompanied by members of the mission, I also met with representatives of the Federation of German Industries, the German Chamber of Commerce and with a wide range of leading figures in the German business community. I encouraged them to step up their interest in the development of industry in Canada and in purchasing their basic food and material requirements from Canada, as well as in buying more of the products of our secondary industry. I also drew their attention to Canada as a possible source of more of their energy needs in the future. World trading problems and prospects were quite extensively discussed, as well as Canadian policies on these important matters.

With ministers and officials I emphasized the problems which enlargement of the Common Market would bring to Canadian exporters to Britain.

I also spoke of the need to move forward at an early date toward a freer world trading environment. I sought to establish that the Federal Republic, as well as other members of the community, should in their own interests wish to undertake broad trade negotiations with outside countries as soon as practicable and generally avoid the disruption of established and valuable trade relations with Canada and other non-member countries.

I believe, Mr. Speaker, that these discussions were very useful. German ministers now have a better understanding and knowledge of the particular position of Canada in relation to the enlargement of the European Economic Community. I believe that they now better realize the extent of the mutuality of interest between Canada, the existing community and the prospective new members. German ministers emphasized repeatedly the commitment of their country to a multilateral free trading system.

I hope that this greater understanding will help to lead to better solutions of world trading problems, taking account of the interests of Canada and other trading partners of the Common Market. It would indeed be welcome if the EEC countries and the applicant members were prepared, in the coming months, to indicate their willingness to enter into another meaningful round of negotiations for the freeing of world trade.

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I should like to begin by thanking the minister for his usual courtesy in providing the opposition with a copy of his speech whenever he has the intention to make one on motions. This has proven to be most helpful.

We are indeed delighted that an agreement of this kind has been signed with the Federal Republic of Germany, a nation which has aroused the envy of the world, especially in the last decade, because of its economic and industrial aggressiveness. Certainly that country has much that we could copy and from which we could learn. One has only to visit Germany to be impressed at once by the psychology of its people who seem determined to make industrial progress. No day seems to be too long. There is one area in particular that we could emulate. Here is a country which over the past ten years has actually found it progressively more difficult to obtain enough employees to service its various economic projects and industrial complexes, while in Canada in the last ten years we seem to have been constantly fighting a losing battle to provide equal job opportunities and economic welfare.

• (2:20 p.m.)

The minister's statement speaks of the exchanges which will be possible between the business and scientific interests of the two nations. Up to now we only have the

signing of an agreement. Its success will depend on industry, the ambition of Canadian businessmen and technocrats, and the encouragement of the government in taking full advantage of the open door and the opportunities offered to us at this time. I hope the government will continue to take the lead in this regard and provide constant encouragement for these interests to take full advantage of the opportunity afforded to them.

I wish to deal with one other part of the statement. The statement deals with vague generalities. The minister spoke of his dealings and talks with ministers of the Federal Republic of Germany concerning the European Common Market and Canadian policies. I am sure they were in doubt about such policies because we in the Parliament of Canada are also in doubt.

We hope that at an early opportunity the minister will avail himself of the opportunity on motions to deal in some detail not only with the government's policies and programs with regard to the European Common Market but also the equally important subject of the government's position and progress toward freer international trade. This must be a complex problem as far as other nations are concerned in their dealings with Canada. In some areas we seem perfectly willing to progress rapidly toward a freer exchange of goods, but in other areas we are loath to reduce any tariff or non-tariff barriers in order to move toward a free exchange of goods between countries. The minister and the government should provide an opportunity for a full debate so that the opposition and the people of Canada will know to what degree the government's policy is directed toward free trade, whether it is a policy of selective free trade, progressive free trade or complete free trade. We in this country as well as the countries of the European Economic Community would like to know what the government's policy is in this regard.

The opposition welcomes the agreement that has been signed. This is real progress. We can learn much from the Federal Republic of Germany. We can gain much from its economic, industrial and technical know-how. I hope that country will find it equally lucrative to visit Canada.

Mr. John Burton (Regina East): Mr. Speaker, I am sure that all hon. members always welcome reports of initiatives taken by the minister and his department in carrying on exchanges and discussions with responsible officials of other countries in an attempt to improve our economic relationships with those countries. These are certainly to be welcomed and encouraged. However, it should be pointed out that such initiatives will only achieve adequate results if they are cast within a proper and adequately thought-out policy framework, if, indeed, the objectives and the thrust of such initiatives are adequately defined. Members of this party have on many occasions pointed out to the government that we feel it has not adequately defined its policy objectives and the general thrust of its policy in encouraging trading relations with other countries.

One point that should also be noted is that, while I have no doubt that the 28 leading businessmen who accompanied the minister to Germany were all very well qualified in their own fields, I think it is to be regretted that representatives of the labour movement and of the agricultural industry were not included in the delegation. Representatives of these two groups could have added significantly to the usefulness of the mission.

I believe we will all agree that the signing of an agreement such as that described by the minister is useful and to be encouraged. However, by itself the agreement does not accomplish the objectives we would hope to achieve. Again, it is a matter of casting such agreements within a properly defined policy framework.

In addition, we should take note of the minister's statement that during the discussions with the German government and German businessmen he encouraged them to step up their interest in the development of industry in Canada and in the purchase of basic food and material requirements from Canada. Two points arise in this regard. First, what are the implications of the phrase "development of industry in Canada"? Does it simply mean we shall be obtaining more capital from Germany in future rather than from another country, or will such a move be properly related to whatever policy announcement the government may make with respect to foreign ownership of Canadian industries? Again, with respect to material requirements I notice the minister did not use the term "raw material requirements" though it seemed to me that the tone of his statement pointed in that direction. Everyone will agree that there is a need to encourage the export of agricultural and food products to Germany as well as to other countries in western Europe.

The minister also told us that discussions were held concerning world trading problems and prospects. It is, of course, essential and important to discuss this matter with other countries at every opportunity. The tone of the minister's statement certainly indicated the concern he now feels about the problems which are arising in consequence of the new developments in the European Economic Community. I believe we will agree with the minister that we should move toward a freer world trading environment, but I am sure the minister would also agree that there are many roadblocks in the way of achieving such an environment. Indeed, it is quite possible that such an environment may not be achieved by Canada and by other countries interested in such an objective. It is therefore essential that the government should have open to it alternative policy approaches designed to deal with possible problems that will arise in the future.

A good deal of publicity has been given in recent weeks to the development of world trading blocs and the problems which this is likely to create for countries such as Canada. The minister should be encouraged and, indeed, urged to deal with this situation and develop the approach of the department and of the government in this respect.

I also noted the minister's comment that it would indeed be welcome if the EEC countries and applicants

were prepared to indicate their willingness to enter into further discussions. The words "it would indeed be welcome" suggest to me that the hon. gentleman has doubts whether in fact that will turn out to be the case. This underlines the concern many of us feel about Canada's future trading relations.

Overriding all these things is the need for the government to develop an adequate economic strategy to deal with our economic problems. This strategy must take account of the growth of multinational corporations, the influence of technology, the need for the rationalization of much of our industry and the attendant specialization that goes with it. Trading problems are, of course, closely related to all this. Thus I think it is essential to Canada's future and for the well being of our people that the government develop its policy more adequately than it has up to the present time.

• (2:30 p.m.)

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, while listening to the preliminary report presented by the Minister of Industry, Trade and Commerce (Mr. Pepin) and seeing him table the agreement between the Government of Canada and the Government of the Federal Republic of Germany on Scientific and Technological Cooperation, we are happy to find that our relations with that country are better at the present time than they were thirty years ago.

I hope this agreement on scientific and technological cooperation will bring about advantages to both countries and mainly to Canada. However, this agreement should not be profitable to only one party as in some cases, where one puts in a horse and the other a rabbit. Agreements must be made on an equitable manner in order that the two parties may benefit from research made in either country. If expenses have been incurred to allow Canadian businessmen and industrialists to see the developments in Germany and compare their costs with those in Canada, I trust they were profitable, not only to those businessmen but also to the people who depend on them.

I am thinking, in particular, of the high rate of unemployment in Canada; we can compare it, for instance, to the rate in Germany, which the minister visited. Advice might also be sought, not only with regard to industry and business, but administration, to acquire experience. We won the war, it seems, but at first glance it would seem that we have lost the economic war to that highly industrialized country.

As we read the minister's report, as well as several others, it seems that the development of the European Common Market is of great concern to countries which do not take part in it, in particular to Commonwealth countries. It seems that as the mother country abandons its children, they find themselves helpless.

I note that, in his report, the minister says that he strongly encouraged Germany to step up its interest in Canadian agricultural products, which puzzles me. While Germany is invited to take an interest in Canadian agricultural products, we feel free to buy some of these products which may be grown at home from other Commonwealth countries.

The Minister of Industry, Trade and Commerce told the members of a Senate Committee on November 4, 1970, that we had imported in 1969 for $60 million worth of beef and lamb, and that in the statements made at that time, the government, the department had even taken the lead.

Now it seems to me that there is a conflict between the Department of Industry, Trade and Commerce and the Department of Agriculture. Trade consists in buying for re-sale. I see no other reason for those invitations to trade.

So instead of buying from other Commonwealth countries goods we can produce, let us invite Germany to deal direct with Australia and New Zealand, to obtain the farm products it requires.

So, Mr. Speaker, I hope these efforts will be profitable for Canadian businessmen, for Canadian industry, and will contribute somewhat to solving Canada's unemployment problem.

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AIRPORTS

STE. SCHOLASTIQUE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Roch La Salle (Joliette): Mr. Speaker, pursuant to Standing Order 43, I raise a matter of urgency which in my opinion must be put before the House.

For all practical purposes, the work at the Sainte-Scholastique airport has been stopped owing to jurisdictional misunderstanding between the federal and provincial governments. Both those governments are accusing each other of being responsible for that situation. If the manpower crisis continues, the project will be considerably delayed and the citizens will again pay the costs.

Therefore, Mr. Speaker, I ask unanimous leave of the House to consider the following motion, which I move seconded by the hon. member for Saint John-Lancaster (Mr. Bell):

That the House direct the Standing Committee on Transport and Communications to study the problem of manpower at Sainte-Scholastique, to report completely as soon as possible to the House on the state of the situation and to make recommendations likely to put the project back into operation.

Mr. Speaker: The House has heard the motion introduced by the hon. member for Joliette under Standing Order 43. It may only be put with the unanimous consent of the House. Is there unanimity?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimity, the motion cannot be put.

[*English*]

ORAL QUESTION PERIOD

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—VOLUME AND DESTINATION OF MOVEMENTS—JOINT INVESTIGATION OF POLLUTION RISKS PRIOR TO DECISION

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the right hon. Prime Minister a question concerning the consultations that officials of the government propose to undertake with Washington regarding the proposed TAPS pipeline which, according to the Prime Minister's parliamentary secretary, are to include questions relating to pollution, including the volume of oil to be moved. My question is whether his officials intend to ascertain not only the volume of oil to be moved, which is quite well known, but the place to which the oil is to be moved.

I ask this question because of the importance of knowing how much oil is to be moved through the Strait of Juan de Fuca and in view of the indications that a pipeline may be built from there to the midwest involving the movement of as much as one million barrels a day, despite the statement of the Minister of Energy, Mines and Resources that he knew nothing about the prospect of any such pipeline. Can the Prime Minister assure the House that the officials will seek to ascertain the volume of oil to be moved through the Strait of Juan de Fuca from Alaska?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this question is quite involved. I must confess that I do not have the exact terms of reference, but if I could refer the question to the minister responsible for pollution he might be able to answer it.

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I would think that one of the questions that the officials would be asking is how much oil will be moving down the west coast and what its principal destinations are, namely in California and in the United States Pacific northwest.

Mr. Stanfield: Mr. Speaker, I could not hear the last part of the minister's answer.

Mr. Davis: If I may put it more simply, Mr. Speaker, certainly the officials will be wanting to find out how much oil will be moving and what its principal destinations are on the United States west coast.

Mr. Stanfield: Mr. Speaker, might I ask the minister whether he would make a report promptly next week to the House, following the return of these officials, in regard to the information obtained from Washington, particularly the amount of oil intended to be moved through the Strait of Juan de Fuca?

Mr. Davis: Mr. Speaker, I would be glad to bring the hon. member's request for information to the attention of the Minister of Energy, Mines and Resources.

Inquiries of the Ministry

Mr. Stanfield: Mr. Speaker, may I ask the Prime Minister, particularly in view of the vagueness of the answers I am receiving, whether the government of Canada will press the government of the United States to make no decision with regard to the proposed Alaska pipeline until a joint Canada-United States body has had an opportunity to assess the pollution risks to the west coast of Canada, particularly that region inside the Strait of Juan de Fuca? I ask this question in view of the disastrous consequences that might result from a decision being taken prior to such an assessment?

Mr. Trudeau: Mr. Speaker, I disagree with the premise of the question to the extent the hon. member suggested that the answers were vague. He asked two questions. One was answered very clearly. The second question was whether there would be a statement, and the minister quite properly answered that the minister responsible for controlling this would receive the representation made by the hon. member.

Mr. Stanfield: I have one further supplementary question. May I ask why the Minister of Energy, Mines and Resources who is responsible does not reply when, according to the statement of the Prime Minister's parliamentary secretary, the purpose of the mission is to find out about environmental damage?

VISIT BY CERTAIN UNITED STATES OFFICIALS TO INUVIK PIPELINE TEST FACILITIES—MEMBERS OF CANADIAN DELEGATION TO WASHINGTON

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I have a supplementary which I should like to address in the first instance to the right hon. Prime Minister inasmuch as the responsibilities of several departments are involved. Are the chairman of the President's Council of Economic Advisers and the director of the Office of Emergency Preparedness visiting Inuvik and flying down the Mackenzie River valley, at the invitation of the Canadian government in relation to an examination of the possible development of a pipeline down the Mackenzie Valley to the southern United States?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am informed that Dr. McCracken and General Lincoln will make a refuelling stop at Inuvik, and that it is at their request they are making the stop on their way back to Washington from Prudhoe Bay. It is at their request that they are visiting the Inuvik test facilities of Mackenzie Valley Pipeline Research Limited.

Mr. Barnett: Mr. Speaker, in the same context I should like to ask the Prime Minister whether he can indicate who will constitute the membership of the Canadian delegation which I understand is to visit Washington shortly on this general subject matter?

Mr. Trudeau: Mr. Speaker, without giving the names, because I do not have them, I can say there will be officials from the Department of Fisheries and Forestry, from the Department of External Affairs, some other officials, and some representatives of the British Columbia government.

Inquiries of the Ministry

DISCUSSION OF DEFENCE IMPLICATIONS OF PROPOSED NORTHERN PIPELINES AT WASHINGTON MEETING

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, I should like to ask the Prime Minister whether the defence implications of these proposed pipelines are among matters to be considered at this meeting? By this I mean particularly security of supply of oil from the Prudhoe Bay area to the central part of the continent?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I believe the meeting is to be held essentially in the context of preservation of the environment, but it is quite possible problems of defence will also be raised, particularly by the United States.

PROPOSED TRANSPORTATION THROUGH STRAIT OF GEORGIA—REQUEST THAT COMMITTEE INQUIRY BE PROCEEDED WITH

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I have a supplementary question for the Prime Minister. The Leader of the Opposition has apparently withdrawn his party's opposition to an inquiry on the subject of oil transportation in the Strait of Georgia. May I ask the Prime Minister whether he will instruct the government House leader to bring forward government order No. 63 which will permit a committee of the House to carry out an examination on site in respect of this problem?

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my supplementary is also directed to the Prime Minister. Can he indicate whether there is now general agreement among the cabinet in respect of the position on the TAPS route, and will this formal position be made clear to the Canadian people.

Mr. Speaker: Order, please. The hon. member will appreciate that a question asked in those terms is not in order.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—SUGGESTED FEASIBILITY STUDY

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, the questions directed to the Prime Minister indicate how complex and divisive this problem is. I do not mean division on the part of the government but rather the complexity resulting from the pollution factor, economic factors and the defence aspect mentioned by the hon. member for Calgary Centre. Will the government now consider setting up a feasibility study by the best experts in these fields and Members of Parliament and Senators in order that we can get together on this subject, work together as a nation and come up with the right answers as a basis for our submissions to the United States?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we hope that in respect of all questions affecting Canada's future we can work together as a nation, but as a result of the way the parliamentary system has been set up there is one executive called upon to take its responsibilities, and that we intend to do. It would be a very delightful solution if we could get together on all subjects and take decisions as a nation, but after all we do admit that some people have the right to sit in the opposition.

Mr. Baldwin: Will you put that in writing?

Mr. Woolliams: Mr. Speaker, I should like to follow up on that question. I appreciate the Prime Minister's answer. In view of the fact that this is probably the most complex problem we are now facing, will the Prime Minister take my suggestion seriously and implement it?

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FINANCE

SHARED-COST PROGRAMS—INDICATION BY ONTARIO OF DESIRE TO WITHDRAW—FEDERAL REPLY

Mr. David Lewis (York South): Mr. Speaker, as a member who apparently has the right to sit in the opposition I should like to ask the right hon. Prime Minister a question arising from the budget speech made yesterday by the provincial treasurer of Ontario. Has the government of Ontario made either a formal request or an informal inquiry of the federal government regarding its desire to have the federal government opt out of shared-cost programs, with Ontario to receive tax equivalents? If such a request or inquiry has been made, has there been a reply by the government and what was that reply?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in respect of the first part of the question I can assure the hon. member that we will respect his right to sit in the opposition as long as his party wants.

Some hon. Members: Oh, oh!

Mr. Trudeau: On the second part of the question, I cannot speak for the Minister of Finance, but in so far as the Prime Minister of Ontario and myself are concerned there has been no request for such an opting out. The first I heard of it was in the budget speech made by the treasurer of Ontario. Of course, the hon. member and other members of the House know that back in 1964 federal legislation provided that provinces which wanted to take tax points instead of the other arrangement concerning shared-cost programs could do so. At that time the only province which adopted this option was Quebec. The option remained open until 1969. When the government presented its white paper on taxation it withdrew this offer for the very simple reason that the whole basis of tax points would be changed and therefore the offer under the reformed tax system could not be made in the same way. We have now taken note of the stand of the province of Ontario and we will, as we said we would, sit down with the provincial authorities after tax reform has

been implemented and discuss with them the way in which they might want to re-exercise the right of opting out which they did not exercise previously.

Mr. Lewis: Mr. Speaker, do I understand from the Prime Minister's answer that the right to opt out has been closed as far as this government is concerned or is it still open? I am afraid I could not understand precisely what the Prime Minister meant.

Mr. Trudeau: Mr. Speaker, the terms of the opting out which was presented in 1964 were withdrawn in 1969 when we brought in the new white paper. The principle of opting out is still acceptable. When we implement tax reform we will go to the provinces and discuss a new way of doing it, if they desire to exercise that right.

Mr. Stanfield: A special status.

Mr. Trudeau: There will be no special status as the Leader of the Opposition seems to suggest, because it will be offered to all provinces as it was in 1964.

Mr. Lewis: Mr. Speaker, obviously this subject is always of great importance to Canada as a whole. I should like to ask the Prime Minister whether there have been any inquiries from provinces other than Quebec, which has already opted out, and the province of Ontario, which has suggested it might desire to do so? Has any other province of Canada suggested, either formally or informally, that it would like the federal share to be replaced by tax points?

Mr. Trudeau: No clear request that I know of, Mr. Speaker, but from time to time provinces, including the province of Ontario, have said over the past few years that if they do not get more tax room they may consider using the opting out program which was proposed in 1964. The idea was sometimes raised, but there was no clear proposal to implement it until this proposal from Ontario.

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Oxford on a supplementary question, and subsequently the hon. member for Lotbinière.

REMOVAL OF TAX ADVANTAGE OF UNITED STATES COMPANIES IN ACQUIRING CANADIAN FIRMS

Mr. W. B. Nesbitt (Oxford): I have a supplementary question for the Minister of National Revenue. In view of the fact that Ontario, through the budget speech, has now done its share to remove the tax advantage now possessed by United States companies which attempt to purchase Canadian companies, will the minister now recommend to his colleagues that the federal government finish the job and remove the present tax advantage that U.S. companies have in Canada?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, I am certainly aware of the importance of the subject, but any tax changes will have to be announced in the House in the usual manner.

Inquiries of the Ministry

[*Translation*]

NATIONAL FILM BOARD

ALLEGED CENSORING OF FILM, "ON EST AU COTON"

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

The National Film Board shot a film entitled "On est au coton" in Magog, Coaticook and Sherbrooke which depicts the problem of textile products. Now there has been a delay in its release. I would like to ask the right hon. gentleman whether it is true that members of his office have seen this film and censored or forbidden it in view of its contents?

Right Hon. P. E. Trudeau (Prime minister): I do not know, Mr. Speaker. I will inquire and inform the hon. member.

* * *

[*English*]

AIR TRANSPORT

ALLEGED FAILURE TO SUPPLY AIR TRAFFIC CONTROLLERS WITH NECESSARY INFORMATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wish to direct a question or two to the Minister of Transport with respect to the report in today's newspapers about near air collisions arising from a breakdown of procedure in the distribution of information. I should like to ask the minister first of all—and I assume that an intensive investigation is going on—whether or not part of this investigation will include very extensive conversations with the United States federal aviation authorities as to the cause of the breakdown, if one exists?

Hon. Donald C. Jamieson (Minister of Transport): In the first instance, without the full information which I have now requested I cannot, as members will understand, accept the premise that there has been a breakdown. I only know in this regard what the air traffic controllers have said publicly, but there is a thorough investigation under way. Officials are in Toronto today discussing the matter with the air controllers, and I hope to have a full statement or full information within a very short time.

Mr. Forrestall: Because of the very obvious danger that is involved and the difficulty we would find ourselves in if two 747's loaded with passengers came together somewhere other than on the ground, has the minister given any consideration—I put this to him seriously—to halting the movement of unidentifiable aircraft in our major air traffic zones, such as Toronto International airport and the airports at Montreal and Vancouver, until such time as this whole matter is cleared up? At the same time perhaps he might deal with the question of movement of equipment in the same zone on which we have not as yet sufficient technical information.

Mr. Speaker: Order, please. Perhaps the minister might be allowed to reply to the question but it seems to me it is a little long.

Mr. Jamieson: This is a highly technical matter, as the hon. member knows. It is also one on which I would have

to be extremely careful in any statement I made publicly without having all the facts in advance. I want to emphasize, however, that on the basis of what I have discussed already with the officials of the department the possibility that the hon. member has referred to is not present. They are satisfied that the procedures are satisfactory to the extent that there is no imminent danger, if you wish to put it that way. But I can only repeat that in a matter of this kind I think it is only proper that I obtain all the facts before saying anything further.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Certainly hon. members agree with the minister that it is desirable to get all the facts, but since the public statement of the air controllers is critical of the officials of the Department of Transport, may I ask the minister from whom he is going to get the information? Will it be from the officials who are being criticized or does the minister intend to have direct contact with the air controllers to find out what the facts are with regard to what could be a very serious situation?

Mr. Jamieson: Once again I have to say that I get advice from the widest possible range of informed opinion, and on this basis the deputy minister of the department left for Toronto the first thing this morning to discuss the matter with the air controllers. I might say, incidentally, that had the air controllers done the same thing initially, perhaps we might not have had this potentially unnecessary argument and perhaps unnecessary concern on the part of hon. members.

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FLOODS

MANITOBA-NORTH DAKOTA BORDER—COMPLAINTS BY UNITED STATES GOVERNMENT

Mr. Jack Murta (Lisgar): Mr. Speaker, last Friday I directed a question to the Acting Prime Minister, and since I did not receive what I consider to be a satisfactory answer I should like to direct a question now to the Parliamentary Secretary to the Secretary of State for External Affairs. The question concerns, as it did before, flooding on the United States and Canadian sides of the Manitoba-North Dakota border. Has the Department of External Affairs received any complaints from the U.S. government concerning serious flooding charged by the Americans to have been caused by the neighbouring Manitobans?

[*Translation*]

Mr. André Ouellet (Parliamentary Secretary to Secretary of State for External Affairs): Mr. Speaker, we did receive a note from the U.S. Secretary of State expressing some reservations about the Pembina river dam and asking that it be dismantled.

We replied that this dam had been built under an agreement between municipal authorities on both sides of the border. We do not believe that there necessarily exists a problem as a result of this treaty, which is commonly referred to as the Boundary Waters Treaty.

[*English*]

PENITENTIARIES

INVESTIGATION OF ALLEGED BEATING OF INMATES AT MILLHAVEN FOLLOWING TRANSFER FROM KINGSTON

Mr. Frank Howard (Skeena): I should like to direct a question to the Solicitor General. Has he received in the last day or two any representations or allegations about inmates in Millhaven penitentiary who were formerly at Kingston penitentiary having received beatings at the hands of guards after having been transferred to Millhaven? If he has received such representations, can he tell us whether an inquiry will be made into this matter?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Yes, Mr. Speaker, I have received such information from the Commissioner of Penitentiaries.

I have requested that an inquiry be held and, moreover, the Commission of Inquiry into the events at Kingston must consider this aspect of the matter. As a matter of fact, paragraph (f) of its terms of reference reads as follows:

(f) what bodily harm was occasioned to persons, whether inmate or staff, during the course of the said disturbances or related thereto, and the identity of the persons responsible for causing such harm;

[*English*]

Mr. Howard (Skeena): Inasmuch as the minister has already said that the report of the board of inquiry—I assume it is the one headed by Mr. J. W. Swackhammer—will not be made public and inasmuch as he has now said, in quoting from the terms of reference, that the board of inquiry will only look into those injuries which may have been sustained by inmates either from other inmates or at the hands of the guards during the uprising, would he not expand the inquiry to include the allegation that these inmates have received beatings at the hands of guards after they were transferred to Millhaven? Will he also, in the conduct of this inquiry, make sure that it is carried out by people outside of the penitentiary service who thus have no axe to grind?

[*Translation*]

Mr. Goyer: Mr. Speaker, for the information of the hon. member, I shall state in English that the terms of reference are in fact the following:

[*English*]

During the course of the said disturbances or related thereto.

Mr. Howard (Skeena): Mr. Speaker, I have one further supplementary question relating to the first part of my question. For the information of people outside the penitentiary service and outside the board of inquiry, since their report will not be made public, would the minister be prepared to allow medical practitioners to go into Millhaven to assess the extent of the injuries and the possible source of them?

[*Translation*]

Mr. Goyer: Mr. Speaker, I have full confidence in the Commission of Inquiry that has been established.

[*English*]

Mr. Woolliams: Mr. Speaker, I have a supplementary question because I am still not clear whether the board of inquiry will look into the allegations which have now been made, either by Mr. Martin or by one of the professors, that there were beatings of those who may have been responsible for the riot at Kingston, after they were transferred to Millhaven. Will that definitely be looked into and will the report be made public? Will that information be given here in Parliament when the report is completed?

[*Translation*]

Mr. Goyer: Mr. Speaker, with the consent of the House I would like to table the documents outlining the terms of reference of the inquiry commission to which hon. members could refer.

As for the second part of the question, the commission will report to me but such commissions and their reports are considered to serve internal purposes. I must point out a precedent: it is the first time that two of the three members of the commission are people from outside while the practice has always been to appoint officials of the department to inquire into such events.

* * *

[*English*]

INDUSTRY

AUTOMOBILES—UNITED STATES CUSTOMS COURT DECISION RECLASSIFYING CANADIAN-FORGED PARTS AS DUTIABLE

Mr. A. D. Hales (Wellington): Mr. Speaker, I should like to direct a question to the Minister of Industry, Trade and Commerce. What steps have been taken, or does he propose to take, concerning the recent United States customs court decision to place a duty on Canadian-made forged auto parts when exported to the United States?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, my understanding is that some of these exports are covered by the automobile agreement, and whatever might not be covered by the automobile agreement will be the subject of negotiation between Canada and the United States.

Mr. Hales: In view of the great harm done to the Canadian manufacturers of these parts in the meantime would the minister not consider taking reciprocal action against United States companies?

Mr. Pepin: Mr. Speaker, I think I had better take notice of this question because, as is known, I have just returned from Germany and I should like to look into the matter further to see what happened when I was away.

Inquiries of the Ministry

CANADIAN PACIFIC RAILWAY

PROPOSED PASSENGER FARE INCREASE—PRESENTATION OF GOVERNMENT POSITION TO TRANSPORT COMMISSION

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should like to direct a question to the Minister of Transport. Is the government going to present to the Canadian Transport Commission a formal position on the request of the Canadian Pacific Railway to increase railway passenger fares by about 11 per cent and, if so, what is that position going to be?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I have just been informed of this matter and there is no reason why it should be different from what has been stated in the news reports. I am examining it at the present time. There are procedures for representations by all interested parties to the CTC, but whether or not the government will in fact make representations has not yet been decided.

[*Later:*]

Mr. James A. McGrath (St. John's East): Mr. Speaker, I want to ask the Minister of Consumer and Corporate Affairs if the Prices and Incomes Commission has undertaken a study of the increases in rail passenger fares proposed by the CPR, and will the commission make its findings known before the CTC makes its decision on the CPR application?

Hon. Ron Basford (Minister of Consumer and Corporate Affairs): Mr. Speaker, I shall have to inquire.

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INCOME SECURITY

AMENDMENT OF WHITE PAPER TO BRING IN LINE WITH UNIVERSAL DECLARATION OF HUMAN RIGHTS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the right hon. the Prime Minister. In view of the strong criticisms of the government's position on income security made in a statement issued by the National Council on Welfare, a body appointed by the federal government, will the government consider recasting its white paper on income security to bring it more in line with the principles of the Universal Declaration of Human Rights?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the white paper is before the House and the country. We feel that it is in line with the Universal Declaration of Human Rights. If there is any special amendment the opposition wants to move to improve it, we will gladly listen to its arguments.

Inquiries of the Ministry

POLLUTION

CONSULTATIONS WITH UNITED STATES ON REGULATION OF SHIPPING IN STRAIT OF JUAN DE FUCA AND ADJACENT WATERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I would like to ask the Minister of Transport whether there have been any discussions or consultations within the last six months or so between this department and United States authorities, either state or federal, with regard to the regulation or control or the need for regulation or control of traffic through the Strait of Juan de Fuca and the body of water serving Puget Sound and Vancouver?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I answered a similar question during the absence of the Leader of the Opposition from the House. The position is that there are ongoing discussions with United States authorities, and there have been such discussions for over a year, on the whole question of the control of potential oil spills and the like, not merely in the region to which he refers but indeed around all our coastlines, that is, those of the United States and Canada.

Also, on this question of the west coast we have been discussing with them the matter of appropriate navigational aids, and in addition a contingency plan having to do with the way in which we deal with oil spills, again anywhere around our coastlines. I would once more emphasize that these talks began well before the current discussions originated with regard to the transportation of oil from Alaska to Cherry Point. I do feel that the mechanisms are there and that considerable progress has been made in regard to the general problem as opposed to the specific one which the hon. member has in mind.

Mr. Thomas S. Barnett (Comox-Alberni): On a supplementary question, Mr. Speaker, I would like to ask the Minister of Transport whether, in connection with any of the discussions about a possible system of navigational aids along the Pacific coast, the United States has given any indication of a willingness to accept the responsibility for the cost of such installations on a route between Alaska and its more southerly states, if in fact the United States decides to establish such a route?

Mr. Jamieson: No, Mr. Speaker, I could not say that our talks have reached the point where the matter of responsibility for costs has been involved. I would think, however, on the premise we have employed constantly with regard to our own territorial and adjoining waters, that in our own waters Canada has normally accepted the cost of the provision of navigational aids. I do not anticipate that there would necessarily be any departure from that practice in this case.

Mr. Anderson: Mr. Speaker—

Mr. Speaker: Order. I would bring to the attention of the House that we have already spent 10 to 15 minutes on this subject and in fairness we should soon go on to another subject. The hon. member for Esquimalt-Saanich may ask one supplementary, and after that we will go on to another subject.

[Mr. Trudeau.]

OIL SPILL AT ANACORTES, WASHINGTON—OFFER OF ASSISTANCE BY DEPARTMENT OF NATIONAL DEFENCE

Mr. David Anderson (Esquimalt-Saanich): Mr. Speaker, I wish to direct a question to the Minister of National Defence. In view of the 5,000 gallon diesel oil spill at the Texaco refinery at Anacortes, Washington, yesterday, which threatens 35,000 migratory geese and which may well move to the southern tip of Vancouver Island, has the Minister of National Defence offered any assistance to the Washington State Department of the Environment which is attempting to deal with this catastrophe?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, my understanding is that this spill at the present time is within American jurisdiction, or American waters. However, we are keeping a close watch on it and we will be in a position to lend any assistance that might be requested of us.

* * *

PENITENTIARIES

KINGSTON RIOT—SUGGESTED APPEARANCE OF REPRESENTATIVES OF INMATES BEFORE STANDING COMMITTEE

Mr. John Gilbert (Broadview): Mr. Speaker, my question is directed to the Solicitor General. First of all, would the Solicitor General table the terms of reference, as he said he would this afternoon, concerning the inquiry at Kingston? Second, in view of the fact that the findings of that inquiry will not be made public, will he invite representatives from Kingston to the hearings of the Standing Committee on Justice and Legal Affairs which is dealing with the estimates for penitentiaries, in view of the fact that the commissioner, Mr. Begbie, will also be there and it would only be fair and appropriate that the inmates be represented—

Mr. Speaker: Order. The hon. member has asked the question and perhaps the minister might be allowed to reply.

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I am certainly very pleased, with consent of the House, to table the terms of reference of the Commission of Inquiry, in both official languages. Furthermore, since a board of inquiry is looking thoroughly into the events which took place in Kingston, it would, in my opinion, be wiser to let the work proceed in that manner.

[*English*]

Mr. Speaker: Has the minister the consent of the House, under motions, to table the documents to which he referred?

Some hon. Members: Agreed.

KINGSTON—REPRESENTATIONS FROM PUBLIC SERVICE ALLIANCE RESPECTING GRANT TO GUARDS HELD HOSTAGE DURING RIOT

Mr. Mark Rose (Fraser Valley West): I should like to ask the Solicitor General if the government has considered the suggestion put forward by the corrections section of the Public Service Alliance for compensation and leave for correction officers held as hostages during the Kingston riot and, if so, what is the government's current attitude to this suggestion?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Yes, Mr. Speaker, I have received a letter from Mr. Paul Gascon, the executive secretary of the association, and I am now examining his proposal.

* * *

[*English*]

FRUIT

STRAWBERRIES—EFFECT ON FRASER VALLEY GROWERS OF DUMPING OF MEXICAN PRODUCT—IMPOSITION OF SURTAX

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, my question might properly be directed to the Minister of Finance but as the matter is urgent I shall direct it to the Minister of Industry, Trade and Commerce. Is the minister aware that strawberry growers in the Fraser Valley are now faced with ploughing up strawberry acreage as a result of the failure of the government to implement surtax regulations to combat the dumping of strawberries from Mexico, now allegedly taking place, as requested by representatives from Ontario, Quebec, British Columbia, New Brunswick, Prince Edward Island and Nova Scotia?

Some hon. Members: Hear, hear!

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I understand that the Department of Finance is looking into this question with the co-operation of the Departments of Agriculture and Industry, Trade and Commerce. I shall ask the Minister of Finance to answer the question the next time he is in the House.

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, I wonder if I might pose a supplementary question to the minister. While they are at it would they examine the situation in relation to Mexican eggs which are being brought into this country?

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FISHERIES

SWORDFISH—ASSISTANCE TO FISHERMEN BECAUSE OF POLLUTION

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, the topic of my question knows no geographic limits.

Inquiries of the Ministry

May I ask the Minister of Fisheries and Forestry when he will be in a position to announce measures to be undertaken to help some 350 Nova Scotian swordfish fishermen?

Hon. Jack Davis (Minister of Fisheries and Forestry): Next week, I hope, Mr. Speaker. We have received the recommendations from the joint government industry task force. Many of them seem to be reasonable, and we will be acting on them as soon as possible.

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[*Translation*]

INDIAN AFFAIRS

CONVERSION OF COQUALEETZA HOSPITAL INTO COMMUNITY CENTRE

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question I wish to ask the Minister of Indian Affairs and Northern Development.

Is the minister in a position to assert categorically that no decision has yet been made concerning the conversion of Coqualeetza Hospital into a community centre at the request of the Indians?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, it is with pleasure that I answer this question since the hon. member at the beginning of today's meeting rose on a question of privilege or on a point of order, in this connection. I must say that Mr. Bergevin, Assistant Deputy Minister for Indian and Eskimo affairs may have signed a letter on that date but he had not as yet put his recommendation to me. Since then, he did make a specific recommendation but I must inform the hon. member that the proposal submitted by that group of Indians in the area was not acceptable to the government since the group had promised that it would obtain funds from different sources both provincial and federal, and in the final analysis, the Indians were asking the government to foot the bill in full and at this moment we do not have the funds required for this.

Therefore, we were unable to accept the building which remains the property of the Department of National Health and Welfare.

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

The minister just stated that prior to writing his letter to the Indians Mr. Bergevin had not consulted him, which might explain his answer of March 24. Am I to take it that he is rejecting the contents of Mr. Bergevin's letter or is this letter still valid?

Mr. Chrétien: Mr. Speaker, since I received Mr. Bergevin's letter, I have written an identical letter to Mr. Wilbur T. Campbell.

Inquiries of the Ministry

[*English*]

FINANCE

EFFECTS OF ONTARIO BUDGET ON NATIONAL POLICIES —CONSULTATIONS WITH FEDERAL GOVERNMENT

Mr. Max Saltsman (Waterloo): I should like to direct my question to the right hon. Prime Minister, if I can get his attention for a moment, Mr. Speaker. It arises from the Ontario budget which was brought down yesterday. Since many of the items in it seem to be directly antagonistic to the federal budget, I should like to ask whether there has been any consultation between the federal government and the provincial government of Ontario regarding the effects of the Ontario budget on national policies?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker. It is an established practice for weak governments to try to have the combat on federal ground rather than on provincial issues.

Mr. Speaker: The hon. member for South Western Nova.

Mr. Saltsman: Mr. Speaker—

Mr. Speaker: Order, please. I apologize to the hon. member for South Western Nova, but I must bring to the attention of the House the fact that we are running short of time. We have time for only two or three more questions at the most. This is why the Chair recognizes the hon. member for South Western Nova.

* * *

POLLUTION

OIL—CANADIAN POSITION RESPECTING BRITISH LEGISLATION AUTHORIZING DESTRUCTION OF SHIPS

Mr. Louis-Roland Comeau (South Western Nova): I would direct a different type of question to the Minister of Transport, Mr. Speaker. In view of the fact that several countries protested the action of the Canadian government with respect to the Canada Shipping Act, has the government protested the action of the British government with respect to the recent bill dealing with oil pollution in which they claim the right to blow up vessels polluting their shores?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I think I might be permitted a little amusement over the fact that countries which did protest our bill so vigorously are now taking the same kind of action, as I told the House they would, when they found that their own beaches were being befouled.

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INDIAN AFFAIRS

APPROVAL OF GRANT TO SAWRIDGE BAND TO CONSTRUCT MOTEL

Mr. Paul Yewchuk (Athabasca): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. In view of the fact that a grant to the Sawridge Indian band at Slave Lake has been approved by the Department of Regional Economic Expansion for construction of a motor hotel and the deadline for this grant is expiring in about two weeks, can the minister indicate whether he has had an opportunity to look into the hold-up in his department regarding the financing? Can he inform us if we can expect it to be cleared up in the near future?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Soon, Mr. Speaker.

Mr. Speaker: I doubt if the minister can reply to the question in that form. I would think that normally it should be discussed at the time of adjournment.

* * *

[*English*]

COMMUNICATIONS

INCLUSION ON AGENDA OF JUNE FEDERAL-PROVINCIAL CONFERENCE IN LIGHT OF STATEMENT BY QUEBEC MINISTER

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Prime Minister. In view of his interesting answer regarding the constitution a moment ago, and in view of the statement of Premier Bourassa of the province of Quebec regarding the field of federal communications and broadcasting, since there has been no request that this matter be placed on the federal-provincial conference agenda for June, I should like to ask the Prime Minister if he is going to expand his constitutional theories and take some initiative to have this matter placed on the agenda? I ask this question in view of the confusion that is developing in this very important area as witnessed by the answer given yesterday by the Secretary of State who admitted there was confusion.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, not all matters can be settled in June. If some are settled we will be very happy, but there are many matters of jurisdictional differences being discussed all the time between the federal and provincial governments. This question of broadcasting is one of them. There have been discussions in the past between federal and provincial officials on the matter of broadcasting, as I am sure there will be in the future. This does not mean it will be settled in June, Mr. Speaker.

[*Translation*]

CABLEVISION—REQUEST FOR STATEMENT ON NEGOTIATIONS WITH QUEBEC

Mr. Roch La Salle (Joliette): Mr. Speaker, a supplementary question.

As the Premier of Quebec has confirmed that the statements made by Mr. L'Allier represent the policy of the Quebec government on cablevision, will the Prime Minister soon make a fairly specific statement on the policy the federal government intends to follow in the negotiations now under way between Ottawa and Quebec?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Quebec premier and myself have touched upon the subject briefly together. I know his position, and he knows ours. We do not intend to change them, but we do intend to have discussions to find out whether a compromise cannot be reached. Other provinces intend to do the same. Indeed, I know that the authorities of the province of Ontario have also asked questions about that jurisdictional matter; we will discuss it with them in the same way.

• (3:20 p.m.)

[*English*]

GOVERNMENT ORDERS

CANADA LABOUR (STANDARDS) CODE

AMENDMENTS RESPECTING HOURS OF WORK, WAGES, VACATIONS, TERMINATION OF EMPLOYMENT, ETC.

The House resumed, from Monday, April 26, consideration of the motion of Mr. Mackasey that Bill C-228, to amend the Canada Labour (Standards) Code, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in rising to take part in the debate on the Canada Labour (Standards) Code, I have a few thoughts that I had expected to get on the record last evening but was unable to do so.

First of all, in discussing the question of the government of Canada laying down a labour standards code, one really has to analyse who will be affected by it. It will be, basically, the unorganized labour sector of our society and the small, private business sector of our society. Really, in laying down a system of labour standards one can outline the hours of work and conditions of work, but many of the decisions on these aspects are made, in relation to what one might call the larger corporations, through labour negotiations with the unions. In the small, private business sector, we do not have the same provision for negotiating hours of work and labour conditions. So, there is a need for the federal government to lay down labour standards. In fact, if the federal government creates undue hardship in the small, private business sector by making the labour standards code too strict or by enforcing too rigid a pattern, then the cost of doing business in that sector is increased. One must be careful, therefore, to balance the situation in the small, private business sector with the organized sector, because individuals in both groups must live in the same environment. The non-organized worker must live under the same living conditions.

If we allow a system to evolve in which organized labour is able to acquire rapid and continual increases in wages, then of course these wage increases will have an effect on inflation. They contribute to inflation in the economy and, once again, labour will be drastically hurt unless the minimum wage is increased. This bill, in fact, increases the minimum wage and creates a situation

wherein the minimum wage can be increased automatically by the governor in council. Up until this time, the minimum wage increase has come about through Parliament passing a bill to this effect. In fact, I believe it is less than a year ago that the minimum wage was increased from $1.25 to $1.65, and this bill would boost it up to $1.75. One could take that as an admission that we have allowed the economy to inflate at a very rapid rate, and have had to increase the minimum wage so that once again the worker might at least be able to cope with the inflated economy.

If we are to bring about some equalization of opportunity, and of working conditions, I believe the government of the day must realize that perhaps the time has come when we cannot keep on pushing up the unorganized workers' wages. Perhaps some action should be taken on the other side of the pendulum so that some government body or labour court could bring about some relationship between the organized and unorganized parts of our society. I know this has been attempted. Mr. Young of the Prices and Incomes Commission seriously tried, by the art of persuasion, to convince unions and corporations that prices should not be increased and that demands for higher wages should not exceed the rate of 6 per cent. I think we have reached the point in our rationalization when we can readily agree that this attempt was a complete failure. I believe Mr. Young was bitterly disappointed that his policy had no effect whatsoever on trade unions and had only a marginal effect on corporations. Of course, the corporations will make up for this in the coming year.

So, while we pass labour standards legislation setting out working conditions and number of hours, as well as a minimum wage, in respect of the unorganized part of our society, this really is not enough. We must study the situation and begin to do something about the other side of the ledger, because if we allow wages to increase practically out of hand sooner or later this will be reflected in the price of goods. When we get out of step with societies in other countries we find it necessary, as Canadians, to buy more and more foreign made goods which automatically creates less and less of an opportunity for the working man in Canada. As an example of this, one has only to look at the influx of Japanese automobiles, particularly in western Canada. One might ask what the reason is for this. They are good automobiles. They are allowed in because the economy has moved ahead and the cost of production has increased at such a rapid rate that a vacuum has been created into which the Japanese manufacturer can move.

The same thing applies in respect of the textile industry. Earlier the Minister of Industry, Trade and Commerce (Mr. Pepin) brought in legislation which, in effect, provides some kind of a stop-gap measure to temporarily protect the textile industry. The difficulty is that if we do that in respect of every piece of manufactured goods, we will continually move toward a state of isolation and this would seem to me to be the wrong step to take. The world is growing smaller and we are having more and more pressure placed upon us to be free traders. There-

fore, we must be in step with the other facets of our society and of the trading world.

It is interesting to note the direction in which we are moving today in Canada. In respect of trade and manufactured goods, we find we are a nation composed of ten countries. I abhor the thought, but in actual fact this is what is taking place. In some areas we find goods being produced by employees who receive very low wages. Since these goods are produced in a low wage area, they are able to move effectively into highly industrialized areas where the wages are very high. Immediately, barriers are raised within our society. I am referring here to the production of broiler chickens, for example. This is a direct example of how the low wages in respect of broiler chicken production in the agricultural sector of Quebec is having a harmful effect on the broiler chicken industry in the province of Ontario. The market is being undercut.

We are being asked to pass a bill which would establish the minimum wage in the federal sector at $1.75. One must compare that with the minimum wage in other segments of our society. The minimum wage varies all the way from 85 cents an hour to $1.50 an hour in the ten provinces which compose this country. Newfoundland has the lowest wage at 85 cents an hour for women and $1.10 for men. Ontario has the highest at $1.50 per hour for men. Politicians sometimes become agitated about being popular politically, but cabinet ministers should always put their country first. We should try to stay in step with our country and keep the levels of our society in step with one another. At times, I feel the present government is doing everything it can to completely wreck the private sector of the economy. It would seem to be doing everything it can to convince the people now engaged in the private sector that the best thing for them to do would be to sell out and go to work for the government or some giant corporation. I really do not know what motivates the government in this regard, but this is how it appears. The government is making it more and more difficult for the private sector to survive in our society. They are making it easier for the giant corporations and the government to be the major employers in our society. What is the purpose of bringing in a standard which is far above the prevailing practice in many fields in which people are employed? The federal Labour Standards Act will not affect a great portion of the unorganized workers because most of them come under provincial jurisdiction. Provincial legislation does not set minimum wages nearly this high, nor are the conditions as stringent.

• (3:30 p.m.)

If the provinces felt that they could become popular by suddenly increasing minimum wages, I think they would. What would be the net affect? It would be an increase in the cost of production in those regions. In many of the regions where there is high unemployment, governments are trying to create opportunities rather than bring about a situation in which fewer and fewer opportunities will exist. I am certain even the Liberal government in Newfoundland would like to enact a higher minimum wage level, but this would make it very difficult for the private sector in that province to survive. Therefore, they are reluctant to do so. Most provinces have to place the emphasis on the creation of opportunities, not on the security of those already employed.

At a time when approximately 600,000 people are unemployed and the government is prepared to spend $58 million to keep the youth occupied by this summer, we cannot say that we are happy and contented. We cannot pass legislation which will only serve to make a certain cabinet minister popular. We have to create opportunities, not protect the well established firms, businesses or enterprises and the working men who have secure jobs.

Many portions of this legislation are very good. The severence pay concept is good, but my belief is that it does not go far enough by only allowing two days severence pay for every year that a person is employed. If a person is employed for five years, he receives payment for 10 days when he is released, fired or laid off through no fault of his own. Although it does not go far enough, it is a step in the right direction.

The whole concept in the House of Commons today is to repeatedly pass legislation which narrows the opportunities for Canadians. I have to point that out with regard to every piece of legislation that comes before this House, because this is the only way I can get the message across to the people of Canada and this government. We have to broaden the opportunity for Canadians to participate fully in our society. This legislation does not do anything in that regard. It attempts to protect those people already employed and, at the same time, narrows the opportunities for those people who are unemployed. For that reason, the Minister of Labour (Mr. Mackasey) should not find any great pleasure in having this legislation passed. He should perhaps do this dutifully, but in conjunction with labour legislation which creates opportunities for employment. We have not seen such legislation yet.

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, I wish to thank three members for their courtesy in yielding their right to speak to me at this time because I have an engagement later this afternoon outside the city. They are the members for London East (Mr. Turner), Winnipeg North (Mr. Orlikow) and Moose Jaw (Mr. Skoberg).

I wish to make three comments on the measure before us this afternoon. The first is with regard to the minimum wage. I know the difficulty of trying to establish one figure which will be suitable for all Canada. As I am not wiser than Solomon, there is very little I can say in that regard.

The idea of giving the Governor in Council the right to establish these wages in the future is fraught with danger. I suppose the Minister of Labour (Mr. Mackasey) is aware of the danger. Perhaps I can put my fears on record so that they can be dealt with in committee. This approach may put the Governor in Council under a great deal of stress at certain times, probably once every four years. Also, it could be capable of abuse. At least the advantage of having the change made here is that we

have an opportunity to openly apply pressure to see what we can come up with. The minister should be specific in committee and spell out the factors which will enter into the formula for the minimum wage so that we, and through us the country, will have a good idea just how the wage is determined for the 530,000 people under federal jurisdiction. In this way, a lot of grief for the Governor in Council can be avoided in the future.

The second point on which I want to comment concerns the equal pay provision. I have no quarrel with that in principle. It is a step forward that the policing will not have to be done by the individual. In the past, a woman usually had to complain that she was being discriminated against. That is an awkward burden to put on any person. We are not all ready to yell for our rights, and perhaps more women are in this category. If a woman does yell for her rights and gets them, she fears that she may be shown the front door of the factory. It is much better to have the department do the policing. I suppose the department will still be following up complaints. As this part of the bill is remarkably brief, I suggest that some policy of warning to employers might be instituted so that they will not be hauled holus-bolus into court as a result, perhaps inadvertently, of breaching the law.

One question which may be interpreted one way by the employer and another way by the employee is whether a female employee is doing the same sort of work as the males in the plant are doing. That may be a contentious factor. The employer might, in good faith, have a different level of wages, but the court may consider that both the male and female employees are doing the same type of work and that the female is being discriminated against. There has to be an element of common sense in the policing and enforcement of this section of the act, particularly as the law is now compressed into these two subparagraphs.

I welcome the maternity leave provision. It is indicative of a measure of civilization and common sense. I do not think there will be any danger of abuse through the granting of such a right to the female portion of the work force. As I promised to be brief, I will simply say that I welcome this principle.

Finally, I wish to deal with the question of the extension of the 40 hour work week. When the act was originally introduced, there were some, including the hon. member for Winnipeg North Centre (Mr. Knowles), who felt there should be very little derogation from the 40 hour work week.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. McCleave: As the hon. member says "hear, hear", I know that is still his philosophy. I listened to his contribution last night which, as usual, was excellent. However, there are some people for whom the extension of that provision that would be very unjust. An element of that group lives in my constituency. These are the people who work on the longshore in Halifax, and I suppose my argument would also apply to those who work on the longshore in Saint John where the work load is apt to be very uneven. There are large amounts of work in the wintertime, because these are year-round ports, but smaller amounts in the summertime. So, people on the longshore at Halifax and Saint John earn their bread during a very concentrated period, two or three months. I know the present Minister of Labour has been very receptive to using the provision of the act which enable the 40-hour work week to be exceeded by such people, and I am grateful for this. I hope the changes provided for in the present bill will allow this situation to continue. The minister nods. I gather this is the case, and I am pleased that it should be so.

• (3:40 p.m.)

This may be illustrative of industries where technological change may hurt people such as longshoremen, stevedores, checkers and the like, because the technology in the new system of transportation is hurting their earnings seriously. This is as good a place as any in which to exercise a large modicum of common sense and not tie ourselves down with too exact formulas. Since the Minister of Labour does a very good job thinking of those whose livelihood depends on what they can earn at work to which they take their lunchpails, I am not fearful of the law being administered by him; I just hope the good direction he pursues will be continued by others in future generations.

Before I sit down I wish to express my approval of this legislation. I think these are good changes, and important changes.

Mr. Charles Turner (London East): Mr. Speaker, the general objectives of the amendments to the Canada Labour (Standards) Code are to provide minimum standards and benefits not previously provided under the Code and to update some of the existing standards. At this time I wish to talk about two parts of the bill which I believe must be drawn to the attention of members of this House for their consideration: first, group termination of employment and, second, individual termination of employment.

The introduction of these changes will provide federal employees with the minimum protection from the less responsible employers. Looking at the railroad industry since the introduction of diesels, we find that drastic cuts in the work force have taken place and many who were once proud employees of the nation's railways now find themselves on welfare during the winter months. Due to the fact that they were over 40 or 50 years of age when the lay-offs took place, it was not possible for many of these employees to be reabsorbed into the labour market on a permanent basis.

Each year many industries in Canada make changes in their production methods; many decide to lock the door and move to some other part of the world. The rapid pace of technological progress and economic growth can and does have adverse effects on the working population. If resistance to change on the part of employees is to be less harmful, as must be the case if Canada is to achieve its full potential as an industrial power, trade unions and governments must accept responsibility for the develop-

ment and implementation of policies designed to cushion the impact of change on individuals.

More and more, Mr. Speaker, people of this nation are becoming aware that high labour costs have been leading managements in Canada and the United States to think in terms of closing out Canadian plants and transferring certain operations to other parts of the world. But the same managers seem to forget that the men they put out of work are also the consumers of their products. Most foreign demand for our products is concentrated, first and foremost, on our resource industries. Exports of grain, oil and gas, minerals and forest products are necessary to a trading nation such as Canada, but we must rely on heavy factory production and employment to provide the necessary lift to our Canadian economy. Any successful business is a combination of money and labour working toward a common goal of high production at lowest cost, so that both parties can compete in the home and export markets.

Down through the years employers and employees have worked hard to build many successful business establishments in this country, and much of their achievement has been accomplished with the help of foreign investment. We, as Canadians, welcome foreign capital but when the time comes for parent organizations to make any changes in the work pattern or plant operation, I say it must be done by prior consultation with the employees and their representatives. During the past few months, several plants in this country have closed down and it is certainly not in the best interests of the employees or residents of the communities affected to be saddled with the problem of relocating the employees without the help from the industry causing the shift.

For many years employers and trade unions have included in their collective agreements provisions designed to make the procedures governing lay-offs and recall more predictable and equitable, and settlements have included various arrangements to provide employees with some degree of protection against the effects of displacement. Governments, too, have recognized their responsibilities in this area and are pursuing policies designed to maintain conditions of general economic growth by offering a variety of manpower services, providing displaced employees with opportunities for retraining, relocation and job placement, providing short-term support for loss of income resulting from displacement under a general system of unemployment insurance and other special supplementary arrangements such as the transitional assistance benefit program which may apply when displacement results from government action designed to cause or accelerate industrial conversion.

Now, for the first time, the federal government requires appropriate notices of termination of employment to be given, thus enabling the manpower authorities to effectively utilize their various services. Bill C-228 provides that any employer who intends to terminate the employment of a substantial number of employees, and this includes managerial personnel and members of certain professions, shall be required to give advance notice to the Minister of Labour, the Department of Manpower and Immigration and any trade union certified to represent the affected employees. The minimum period of notice required to be given varies with the number of employees involved. If 50 to 100 employees are to be dismissed, eight weeks' notice is required; if the number is between 101 and 300, 12 weeks' notice is to be given; if the number is greater than 300, 16 weeks' notice shall be given. Notification shall include the proposed date of termination and the estimated number of workers concerned. Regulations will prescribe circumstances in which a lay-off will not be deemed to be a termination of service. Employers and trade unions shall co-operate with the manpower services to assist workers under notice of dismissal to find alternative employment. The Governor-in-Council may make regulations that include exemption of employees employed on a seasonal or irregular basis, and provide for notification of group dismissal of less than 50 workers where industrial or regional conditions are of particular significance.

• (3:50 p.m.)

Waiver by the Minister of Labour of dismissal notification is provided for where it would harm the interests of employees, be unduly prejudicial to employers, or seriously hinder the operation of the industrial establishment concerned. Enforcement of the notice requirement will be the responsibility of the Department of Labour, as is the case with a wide range of other provisions. Any employer who violates this part of the law would be guilty of an offence punishable on summary conviction by a fine of up to $10,000 or, on an indictable offence, by a fine of up to $100,000.

The information supplied by employers proposing substantial job terminations in a relatively short period will assist the manpower authorities to carry out their programs to help the affected employees in such matters as placement, retraining, relocation and others. There is no existing federal legislation on group termination of employment, and therefore this legislation is desirable. The legislation proposes that an individual who has worked continuously for an employer for three months or more is entitled to at least two weeks' written notice of termination of employment or, in lieu of such notice, pay at the regular rate for the regular hours. This provision does not apply in cases of dismissal or just cause.

A special provision is included to deal with situations where employees whose positions become redundant have "bumping rights" under the collective agreement. In such cases, the employer must give two weeks notice to such an employee and to the trade union, and must post a copy of the notice in a conspicuous place on his premises. If the employer fails to give the required notices, he must pay two weeks' wages in lieu of notice to the employee who is ultimately displaced as a result of the bumping process.

A layoff is regarded as a termination unless regulations prescribe otherwise. Wages and terms or conditions are not to be altered during the period of notice without the consent of the employee. Compliance with the notice provision in a particular case lapses if the employee continues in employment for two weeks beyond the

notice period, unless he consents in writing, and any subsequent notice to that individual must comply with the proposed legislation. Notice of individual termination will not apply to managers, supervisors and members of designated professions. Absences which do not interrupt continuity of employment and the meaning of "regular hours of work" are to be defined by regulation. "Successor rights" also apply to this section. There is at present no federal legislation regulating individual termination of employment.

Six provinces, Saskatchewan, Manitoba, Nova Scotia, Newfoundland, Ontario and Quebec, have legislation requiring an employer to give an employee a specified period of notice or, except in Manitoba, compensation in lieu of notice on termination of employment. The Quebec provisions are contained in the civil code, which is at present under revision. In Nova Scotia, Ontario and Saskatchewan, to be entitled to notice of termination of employment an employee must have been employed by the employer continuously for three months or more. In Manitoba notice is not required if employment is terminated during an employee's first two weeks in a job, unless the employer and employee have agreed in writing that the notice requirements of the act will apply. In Newfoundland notice is not required during the first month of a probationary period established by mutual agreement.

In closing, I would like to point out that during the war years thousands of Canadians joined our military services and went overseas to protect our freedom and way of life. They did not worry about leaving a steady job because the basic fibre of democracy was being threatened. They were willing to make sacrifices to protect these principles. When they returned thousands of veterans went directly to new jobs, and once they became established in the communities of this nation they naturally thought that they were set for life. The foreign industries of this nation have a responsibility to these Canadian employees to make sure that in the event of close-out everything possible in the way of retraining and severance pay is offered to these displaced employees.

Governments must have rules and regulations to make it impossible for foreign industry to close out without disclosing to the government departments the reason for their action. It is tragic when industry forces hundreds of people on to the labour market at an age when it is impossible for them to make the necessary changes without prior consultation. No one is resisting change, but all branches of society must be fully informed of industrial change so that ways and means can be found to cushion its impact on the lives of all Canadians and communities.

Many changes in this bill must be complemented by changes in the Industrial Relations and Disputes Investigation Act, whereby close-outs and changes in working conditions will be the subject of negotiations between companies and unions under government supervision. I know that the minister is very concerned about all the details of the changes as well as the problems of the working people of this nation as we move ahead into the seventies.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I should like to make a few brief comments on Bill C-228. I think the main points have already been made by my colleagues who have spoken previously. All members of the House would rather see free, collective bargaining than the implementation of legislation to govern such negotiations. At the same time, I hope that the provisions of Bill C-228 will provide some spin-off and not a brush-off by some of the legislatures of this country. It appears that in many cases it does take the initiative of the federal government to bring about changes in provincial laws.

It seems strange that the Minister of Labour (Mr. Mackasey) would bring in a bill at this time to provide for wage uniformity, since the President of the Treasury Board (Mr. Drury) not too long ago was substantiating the wage differential that existed between certain areas of the country. I have in mind the dockyard workers at Nanaimo and at Halifax, whose wage disparity was not eliminated. I am pleased to see that at least the Minister of Labour sees the need for bringing about uniformity throughout the country in this regard; I hope I am correct in that assumption.

The greatest problem with any bill is the enforcing and policing of the regulations that must go with it. A short while ago Canadian National Railways was fined because they violated the provisions of the Canada Labour (Standards) Code. I have before me an article dated Saturday, May 31, 1969 which reports that:

> The Canadian National Railways was fined $175 in Quebec Superior Court for violating the Canada Labour (Standards) Code for failing to pay three of its employees time and one-half during national holidays.

We all recall the recent statements in the House of Commons with regard to CNR. I am pleased to say that once again the Minister of Labour stated he would not stand for any of this type of manoeuvring on the part of a Crown corporation like Canadian National. I refer to the attempt to pay provincial rates of pay when the uniform standards provisions of the act should have applied. I hope this matter has now been resolved to the satisfaction of all concerned.

A short while ago, specifically on December 4, 1968, it was being suggested that a new law would be introduced to regulate lay-offs. At that time, pressure was mounting in the cabinet to introduce legislation that would prevent companies from laying off employees with little or no prior warning to the employees or the government. Let me refer to an article dealing with this matter which puts it in this way:

> Two federal cabinet ministers have publicly denounced major layoffs in recent days. They contend that management made no effort to help labour adjust to unemployment.
>
> Labour Minister Mackasey said in the Commons last week "I think the time has come for the minister of labour to convince his colleagues that legislation emphasizing management's responsibility to its employees in the area of technological change is long overdue."

• (4:00 p.m.)

Then, the Minister of Manpower and Immigration (Mr. Marchand) also said in the Commons:

—that recent heavy lay-offs, which caught both labour and government by surprise, raised the question whether it might not be necessary "to oblige companies by law to provide advance notice".

I am sure the dissatisfaction of the government and the Minister of Labour in this regard has brought about some of the changes we see before us at this particular time.

The only suggestion I should like to make in respect of this legislation is that it would require employers to give advance notice of up to 16 weeks in the case of mass lay-offs, and severance pay to employees with at least five years' service. Advance notice is required only in the case of lay-offs of 50 or more employees, leaving an apparent loophole for employers to spread their lay-offs over a longer period. I hope when the committee studies this bill it will take this situation into consideration. I have in mind irresponsible companies which would deliberately use the provisions of this bill to lay-off fewer than 50 employees in order to avoid the obligations of the provisions of this bill. I understand there have been lay-offs recently of fewer than 50, and everyone knows that this practice will become progressively worse as time passes. I am sure this is an area all of us will consider in the committee when the time comes, in order to determine exactly what should be done as far as amendments are concerned.

There is no need to repeat some of the thoughts which have been expressed in this House. Most of us agree that this bill is very necessary, and with some amendments could be a model bill acceptable throughout this country, particularly to labour organizations and responsible companies.

It is interesting to note that there is some danger in the provision for equal pay for equal work. We should realize there are some 2.5 million women in the labour force and that more than 50 per cent of them are married. Some of the provisions in this bill will require a great deal of regulation and policing in order to ensure some type of uniformity. I am sure that the provision regarding the same or similar jobs requiring the same or similar skills, effort or responsibility, might bring about definitions by employers. I am sure we will all be responsible when we consider this fact. We all realize that all too often women are not brought into so-called decision-making positions. I am sure that a simple law requiring equal pay for equal work will be completely inadequate, because the work may be comparable or similar but different job classifications will be adopted allowing women to be hired for lower paid positions. I am sure it is not the intention of the Minister of Labour to bring about this type of situation.

It appears that these provisions must be accompanied by regulations which will require that all job classifications be open to women. This suggestion will be considered when the bill is before the committee for further discussion. At the present time there are no laws in respect of equal pay for equal work which require that all positions be open to everyone, regardless of sex. The provisions of this bill, I suggest, will not make any noticeable change in the present situation. Let us look at the situation in the House of Commons where we have one female member. This makes one wonder whether we consider there is equal opportunity for both sexes in so far as election to this House is concerned. I believe the government is serious in bringing about an end to discrimination and that it will make funds available for the staff required to seek out the inequalities which exist at this time.

In respect of maternity leave, I believe we must be serious when looking at the situation which exists. The bill before us requires a woman to have 12 months' employment with one employer to qualify for 17 weeks' maternity leave. To say the least, this does not seem equitable. Since an employer is not required to provide leave with pay, but merely an unpaid leave of absence, it is difficult to understand the need for such a requirement at this time. This provision limits a woman's mobility in the work force and restricts the amount of leave to which she may be entitled, in relation to her biological function of childbearing. It also seems to me that this is a most crucial time to a woman in the work force, a time when she encounters added expenses. This provision would still allow an employer to fire a woman who becomes pregnant if she does not have 12 months of continuous employment before the need for maternity leave arises. I hope this aspect will be seriously considered by the standing committee.

The committee must also consider the provision for 11 weeks' leave prior to confinement and six weeks after. This is another point which will receive the consideration to which it is entitled by the committee.

Let me now refer to the Canada Labour (Standards) Code suspense account. On January 15 a return was tabled in this House to a question I had asked. My question was:

What payments have been made into the Labour (Standards) Code suspense account and what wages have been paid out of it to entitled employees for each year 1965 to 1970 inclusive?

The answer was that there was a continuous increase in money paid in and a smaller amount paid out. I suggest that there must be a better method for the determination by various departments, not necessarily the Department of Labour alone, of these people who have paid into this account and who are entitled to some repayment.

I asked also what policies and practices were carried out by the minister to locate the employees who were entitled to payment, once a payment was received into the Labour (Standards) Code suspense account. The answer at that time was that a program to have the Department of National Revenue locate and advise employees of their entitlement was presently under trial, using social insurance numbers. It appears to me that by using the social insurance numbers these employees could be contacted and advised that they might receive the money they had paid into this account.

We realize that the railroad industry does often have deferments. I realize that it is practically impossible to adopt any regulation or guideline for operation in respect of the transportation industry. We should have some regulation or an agreement as a result of collective bargaining between management and labour covering the hours put in by truckers and railway employees. It appears there should be a determined effort made, perhaps with a little prompting by the minister, to bring about some resolution in so far as the hours of work of employees of the transportation industry are concerned.

In closing, I should like to say I am extremely pleased to note that provision in the bill dealing with the garnisheeing of wages. I know of too many occasions when employees have lost employment because their wages have been garnisheed. In the past, this has been sufficient reason for dismissal. I am exceedingly pleased that the minister and the government have decided to bring in a regulation prohibiting the dismissal of an employee for this reason. Far too often we find irresponsible employers will take advantage of such a situation to dismiss an employee. This has been the case in respect of the garnishment of wages. The minister is to be congratulated for this move. I will be pleased to see this bill sent to the committee. It is not my intention to hold it up at this time. I am anxious to see it discussed by the committee and amended as they might see fit.

• (4:10 p.m.)

Mr. Steven Otto (York East): Mr. Speaker, it will take me but a few minutes to say the nice things that I want to say about the minister; the other remarks I will have to make will take a little longer. This bill, in so far as it goes, is a good bill. I would not imagine there are too many people who think there is no longer much need for the minimum wage provision. There are surprising and tragic numbers of young people and others still employed in Canada receiving the minimum wage. I think that any bill which allows the government to ensure a minimum standard and a minimum wage is all to the good. I think this bill brings us up to date in this respect.

Then, there is the question of maternity leave. I think this provision follows the thinking of the population today. I do not believe anyone would object to it, except perhaps the men, because the other clause dealing with equal rights does not give this privilege to men, but then very few men ever get pregnant.

An hon. Member: There will be changes.

Mr. Otto: Yes, all sorts of changes are possible. I am glad to see this section of the bill dealing with maternity leave, as opposed to the inclusion of such a provision in the Unemployment Insurance Act where, as I already indicated, it does not belong. But even under this bill, there will be a difference. Of course, I take it that the maternity leave provisions in this bill will apply to women who are in the labour force and who will remain in the labour force. In other words, this part of the bill will apply to women who will continue working after they have had a child. There is a distinction between the women who have to make a living, who have to remain in the labour force after pregnancy and the majority of women who do not come back to the labour force. The latter group will not apply for the leave permitted by this bill. But under the Unemployment Insurance Act, with which we dealt a few days ago, no distinction was made between these two group. For that reason, I am glad to see the inclusion of the provision in this bill but not in the other one.

So far as notice of lay-offs is concerned, I think that is a worthwhile provision. The minister has made himself familiar with the problems arising in cases of mass lay-offs which come almost as a surprise. In most cases, notice could have been given. This bill makes such notice mandatory, and again I think that is a good provision.

Enough has been said about equality of wages. I believe Canadians accept this principle. I am glad also to see the provision with respect to garnishment, as the member who just sat down said. It is a little thing but it is evil because the debt collectors never bother collecting. They secure a garnishee order and immediately hound the employer until he gets so sick of it that the next fellow who gets a garnishee order against him will be laid off or fired. I should now like to see the Minister of Consumer and Corporate Affairs (Mr. Basford) do away with garnishment completely. It is an old fashioned practice which serves no purpose in this day and age.

When we have dealt with these items in the bill I wonder if we have really dealt with our labour problems. This is the labour code, and I would have liked to have seen the brackets taken away and the act entitled the Canada labour code, not the Canada Labour (Standards) Code. The bill covers little things which do not solve the vast problems of labour today. The problem is that the population at large is beginning to look with suspicion at organized labour and organized labour is beginning to defend itself, but neither one nor the other has a labour code to follow. We have no labour policy. We have been going along, adding item by item. We have this bill and we have other minor bills, but to say that we cannot deal with the labour problem because they are within provincial jurisdiction is nonsense. I think that today the federal government must take the whole labour question in hand and deal with it.

We have inflation, and what happens? We immediately have to institute controls, or at least the Prime Minister (Mr. Trudeau) thinks we have to do so, and then we have unemployment. Then, we have another round of inflation. The employer blames the employee, and the employee says "it is not my fault, you are making too much profit, Mr. Employer". Then, there is the question of what to do with our unions. No one has set down a policy, nor has this government done so. What will we do with the problems of labour? I think they must be recognized as problems which we have left alone for too long.

The hon. member for London East (Mr. Turner) spoke about lay-offs as a result of the implementation of new techniques. He said, justifiably so, that it is not equitable to have people laid off and thrown on the welfare rolls merely because a new machine has taken over. He must also recognize that in order to keep up with the produc-

tion capacity of other countries we must introduce new techniques. I would suggest to him, and to this government as well as to labour, that deadheading is not the answer. Deadheading is a practice of that part of our existing labour institution by which, if you do not need firemen because you no longer have fires in the boilers of steam engines you employ one anyway. In fact, an employer is required to train apprentices to be hired when there is no longer any need for firemen. That does not make sense, even to the gentlemen opposite.

Mr. Skoberg: I should have spoken after you.

Mr. Otto: But then what is the answer? In Toronto, the three large department stores send a mat to the three newspapers, the same mat appearing in all. It is not necessary to set up all the type, and the ad is printed on the same date. For years people have been employed by the three newspapers, days after this advertisement has appeared and the newspapers have been thrown away, to line up the advertisements, print one copy, which is then thrown away. Even to the gentlemen opposite this does not make sense, and it should not make sense to this government. However, no solution to that problem seems to have been found.

So, we have all these labour problems, but no answers have been provided in this bill nor in any other bill, nor has this government a policy. We are faced with strikes more frequently than ever. Can anyone tell me how a strike, which throws people out of work and closes down the factory, will ever improve the current position of the employer or the employee? What really happens is that at the time of the strike workmen go home without pay. They dig into their savings and into the strike fund which the union has provided. When these funds are exhausted they finally receive an increase which never makes up the loss which they sustained. In the meantime, the employers have lost their reserves, and it just becomes a tactics game. Surely, one hundred years after the institution of this old fashioned scheme of things we should, as a government, put forward some ideas by which labour can get its fair share of new techniques and new production, by which the employer can use new techniques, and by which the nation can prosper and increase its productivity. For months before a strike, labour becomes antagonistic. For months after a strike is settled, labour usually has not settled the details and is still antagonistic, so the loss of production continues. I have been involved on both sides of this question and I know what can happen to production. This is an evil thing and we have not done anything about it.

• (4:20 p.m.)

Surely, in this day and age we can find some method of dealing with labour-management disputes without having work stoppages.

Mr. Orlikow: Tell us how.

Mr. Otto: At one time I introduced a bill telling how, and I will repeat the details for the hon. gentleman. But the question is not one of labour-management disputes; it is one of labour-consumer disputes. Management does not worry too much. It merely adds on the cost of a strike and the consumer pays. Under the terms of the bill that I introduced when a strike is declared, instead of work stoppage actually taking place, people would continue to work but the profits made by the corporation during the time that its workers were without a contract would be taxed 100 per cent. No one would suffer; the country would benefit, and the dispute would still be settled through negotiation. Such a provision is not made in this bill, and there are other things which are also not provided in it.

I am trying to inform you, Mr. Speaker, of something that is a fact today. There is no sense in closing our eyes and saying that everything in the labour-management field is fine. The fact is that this is not so. Surely, Mr. Speaker, you have known for a number of years that there is irritation in this field, and we do not seem to know what to do about it. But somebody has to come to some conclusion, and I suggest it is the government's responsibility to come up with a full labour policy, a full labour code, rather than the few words that are in this bill. This bill should have been four times as long and should have included many other matters.

One subject which seems to be taboo, and which is not covered in this bill, is the election of union officers. It has been said that anyone who stands up and opposes the slate of union officers usually nominated cannot lead a free life any more. It is true that some unions have secret ballots in the election of officers, but most do not. Surely, it is time we settled that question and said that from this time on the election of all officers of all associations and fraternities should take place by secret ballot. Why can't we include that in this bill?

An hon. Member: For corporations, too?

Mr. Otto: Corporations, fraternities, churches, everyone.

Mr. Bigg: And the cabinet?

Mr. Otto: I am speaking of responsible positions. If you were talking about electing deputy ministers that would be fine, but I do not think it is important for cabinet members.

We must also soon recognize unions as legal entities. If they enter a contract they must observe the terms of that contract and be responsible for them. At present, we have a wishy-washy situation because the courts have said that unions are really fraternal associations, and are not a body corporate. That is nonsense.

I have already said that this bill should not require much debate. All of its provisions are acceptable to the public at large. The minister has earned a kudo for including some of the things, such as prohibition of dismissal for garnishment of wages, and the provision of maternity leave. I think we should get on with the bill as quickly as possible, but also as quickly as possible we should deal with the whole range of labour problems and the provision of a labour code setting government policy once and for all. We do not have much time in which to tackle that larger issue.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have studied with interest the measures proposed in Bill

C-228, an act to amend the Canada Labour (Standards) Code and, in general, I support what other speakers from my party have had to say in principle regarding the proposed legislation. I believe that all of us in this House have a moral obligation to ensure that for the many people whom this bill will affect there will exist humane and reasonable standards of employment, under conditions which represent as enlightened an approach as we can bring to this important subject.

Clause 5 of the bill deals with the requirement of a ministerial permit for an employer to work any group of employees in excess of the maximum hours prescribed by the legislation. I have some reservations about the practicality of this measure, although I quite agree with the principle. It seems to me that a number of situations must surely arise in which an employer has urgent and immediate need to extend the permitted maximum hours of work of some of his employees, and where the requirement that he obtain a permit in advance would be quite impossible and unduly onerous.

As a simple, practical illustration of this I am reminded of a situation of which I have personal knowledge. A local contractor was completing work on a new roof on a commercial establishment. It was imperative that the work be completed as quickly as possible because any serious rainstorm could have resulted in extensive damage to the interior of the building. The contractor has scheduled the work for completion at the end of a certain week. However, when Friday came he found that his schedule would have to be extended by at least another working day. His only real option was to work his employees on the Saturday, or to trust to luck that there would be no weather damage if he did not. He chose to leave the work unfinished over the week end and the weather held fine. It seems to me that under the terms of this bill it would have been difficult for him to get a permit in advance in order to complete the work on the Saturday. I appreciate that general contractors are not covered by this bill. Nevertheless, I am sure that similar situations could arise affecting employers who will be subjected to the requirements of a ministerial permit. All I am trying to say is that I hope when the bill is studied in committee some more flexible provision will be made regarding the matter of ministerial permits.

On the matter of overtime work, I wonder if there is not some wisdom in pressing for incorporation in this bill of a practice which has been followed by certain provincial departments in my province of Manitoba. For example, I know that payment for overtime work in the provincial department of highways, which is done mainly in the summer months, is banked and becomes payable on a regular weekly basis to tradesmen during the winter months when they are most likely to be unemployed. In fact, it would be impossible for that department in Manitoba to employ its work force throughout the whole year with any degree of efficiency. In this way tradesmen benefit from having a more continuous income throughout the year, without the necessity of relying upon unemployment insurance benefits to provide them with an income in slack periods. I think that this system makes a good deal of sense, both from the employee's viewpoint and from that of the government, his employer, which otherwise must subsidize him through unemployment insurance payments to compensate for the irregular nature of his employment.

On the matter of minimum hourly wages, I support the principle involved in this concept. However, I wonder whether the legislation really solves as many problems as some of its supporters think it does. Certainly, in some of our smaller urban or rural communities a minimum hourly wage of $1.75 per hour, as this act proposes be the case on July 1, 1971, would be quite an adequate remuneration to enable one to enjoy reasonable minimum standards of living. Indeed, in some areas it might be in excess of this and if employers who come under this legislation constitute a significant number of the employers in the area, this provision could then have the effect of obliging the other employers to establish in their businesses or industries a minimum wage structure which could even work some hardship.

• (4:30 p.m.)

On the other hand, in a large urban centre, and for someone who may be married, I do not think $1.75 an hour would accomplish the desirable objectives of this section of the proposed act. If one has dependent children in addition to his wife, and he is employed in a large urban centre at the minimum hourly wage, it may very well be that he would be substantially better off on welfare. We assume that with our welfare we are giving the minimum standard necessary, compatible with a reasonable degree of sustenance. Indeed, even assuming such an individual were to work the maximum permitted hours of work under this act, namely 48, his gross weekly income would be $84. A married man could almost certainly exceed this amount through welfare payments. I think the foregoing illustrates that this very important section of the proposed act requires substantial further consideration to see if amendments cannot be proposed which will remedy, in a more effective manner than the present bill permits, the situations to which I have alluded.

I want to commend the minister, Mr. Speaker, for the provision in his proposed act which forbids an employer dismissing someone solely because a court order has been issued garnisheeing a portion of his wages. Many people, through circumstances quite honestly beyond their control, become the objects of a garnishment order, which in itself is a sufficient hardship, embarrassment and obstacle to their becoming financially solvent that I do not think employers should be permitted to add to such an individual's hardships by dismissing him solely for this reason when he most desperately needs employment. However, we recognize that people do have garnishments and that this adds to the employer's trouble.

As a related act to the Unemployment Insurance Act, this proposed bill provides for pregnancy leave of 17 weeks, consisting of 11 weeks before confinement and six weeks after delivery. This is one area where I think improvement could be made in the proportioning of leave. Pregnancy is a physiological phenomenon and is not considered an illness. The date of delivery is uncertain, even under the best regulated circumstances.

Indeed, it is probably safe to say that not more than 50 per cent of births fall into the category of a week or two on either side of the expected date. Then, add all the problems of deciding when a pregnant woman may deliver and you are left with a wide margin for error on either side.

In addition, to the difficulty of deciding when the expected event will occur, both for the medical practioner and the woman, there is the question of how long a woman can work before her confinement. This depends on her job to a significant degree. If she is in a sedentary occupation, such as stenographer, she may well be able to work almost the full time; if she is in a more manual occupation she may be required, both for safety and production, to leave her job much sooner. After delivery, when complications may well arise, six weeks does not seem too much. In my observation, it is significant that most women do not return to their original employment. This may not be true in very large companies but it certainly bears investigation. Women often choose an occupation, usually at a lesser salary and with lesser work, in order to be able to devote more time to their family or to be closer to home.

I would like to see this section changed to 17 weeks to be given totally, proportioned as the woman herself decides. If she wishes to work up to nearly the time of her delivery and her employer is willing, it seems that she should be entitled to the full 17 weeks. I do not think it is practical to divide the time into two periods. This would create a lot of injustice and would not be happily received by many people.

These are a few short observations that I have on this bill, Mr. Speaker. I hope that in committee some of the provisions I have mentioned can be improved, and I will look forward to that.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, this bill is important because the few provisions which it proposes to add to the Labour (Standards) Code can and will have an effect on millions of Canadians. When we passed the original legislation in 1965, we set the minimum wage for workers under federal jurisdiction at $1.25 an hour. At that time I doubt if any province in Canada had a minimum wage for workers under provincial jurisdiction of more than or even up to $1 an hour. A recent survey indicates that in the province of Ontario the minimum wage under the Employment Standards Act is now $1.65; in Quebec it is $1.45; in British Columbia $1.50; in Newfoundland it is $1.25 for men and $1 for women; in Manitoba $1.50 an hour, and in Saskatchewan $1.15 an hour. I have no doubt, therefore, that if we increase the minimum wage from the $1.65 at which it was set some months ago to $1.75, this will have a very fast effect on provincial governments. We will see similar increases in the provinces and I support that completely.

When introducing the legislation the Minister of Labour (Mr. Mackasey) made the valid point that it is particularly important to the 60 per cent of the labour force which does not belong to trade unions, and do not have the protection of collective bargaining and union rates of pay. For those people who do not belong to labour unions, the only protection with regard to wage rates is that given by legislation such as this or by the minimum wage legislation passed by the respective provinces.

A high percentage of unorganized labour has to depend on the protection provided by legislation. So, I am disturbed by the fact that in the year 1971 the minister has seen fit to propose a minimum wage as low as $1.75 an hour. That comes to just $3,600 a year for the person who works 40 hours a week, 50 weeks a year and gets two weeks off.

• (4:40 p.m.)

Mr. Perrault: What did you say it was in Manitoba?

Mr. Orlikow: I said it was $1.50 an hour in Manitoba. I have already said, if the parliamentary secretary would take the trouble to listen, that the provinces traditionally follow the federal government. The parliamentary secretary, who I presume met with the ministers of labour of the provinces who were here last week, should know the province of Manitoba intends to raise its minimum wage again in the near future. The federal government has always set the example. I would hope it would set an example in this case. It is easy for the federal government to do this. Only a parliamentary secretary as stupid as this one would not know that—

Mr. Perrault: Keep it non-political.

Mr. Orlikow: If the parliamentary secretary, who is not sitting in his own seat, would stop making stupid interjections I would ignore him, which is what he deserves. He should know that the industries which come under federal jurisdiction are by and large the railways, airlines, flour mills, the telecommunications systems and the banks. These can afford to pay the higher minimum wages proposed in the federal legislation. For this reason, I would expect any federal government, no matter what party is in office, would have a higher minimum wage than any provincial government, regardless of the party in power in that province.

I say the $1.75 proposed in this legislation is completely inadequate. The $3,600 a year, on the basis of $1.75 an hour a person would earn under the provisions of this legislation, is below the poverty line established by the Economic Council of Canada for a family. I suggest that the parliamentary secretary read—if he can read, which I sometimes doubt—a statement on income security which was made public this morning by the National Council of Welfare. This National Council of Welfare is not an NDP organization, an organization established by some trade union bureaucracy or an organization established by some revolutionary radical movement. It is an organization appointed by the federal government. It has, as members, representatives from every province in Canada. I would assume this government would have appointed to it people who are not very revolutionary. I would assume they would be people who, if not Liberals, would certainly not be very antagonistic to this government. I would commend to the members of the government, and the parliamentary secretary, this report because it deals with the whole question of income. I believe it gets to the guts

of the type of things I am talking about, the difficulty in respect of a minimum wage of $1.75 an hour in the year 1971.

For the benefit of the parliamentary secretary, I might read a few excerpts from this report. It points out that a large number of people do not have adequate income at the present time in Canada and that these can be divided into three groups. The first group is that of a family which has no employable member. The second group is one in which no employment is available for the employable member of the family. We know that almost three quarters of a million people are unemployed at the present time in this country. In the third group, the income from employment of the employed member or members of the family is inadequate to the needs of that family.

The report points out that it is estimated there are almost four million Canadians represented by families in which the earnings are less than the amount required to meet their needs. Need I remind hon. members of this House that there are people living on farms in Canada, people engaged in fishing, people living in the bush and Indian and Métis people whose income is far below the poverty level established by the Economic Council of Canada. I shall read one section of this report:

> We have ensured that the stigma of poverty—

"We" means the people of Canada and the government.

> —attaches to the children of the poor by providing insufficient income for them to dress as their classmates, to afford a class picture as their classmates, to participate in class outings or extra-curricular activities involving expenditure. When they consequently learn to hate the school situation in which they are thus made to feel inadequate, drop out at the earliest opportunity in quest of a job—are the first to be laid off and thence drift into delinquency and crime, we blame the "culture of poverty" and talk piously of "cultural deprivation".

What amount is required to maintain a family? Let me quote what the National Council of Welfare says:

> The Quebec Government Commission, updating Dominion Bureau of Statistics figures to 1971, identified these as $2,000 for a single person, $3,400 for a family of two adults, $3,900 for a family of three, and $4,560 for a family of four.

I believe I have already pointed out what is to be provided by this legislation. The fact is that the minimum wage in our country is to be something in the neighbourhood of $3,600. So, if this legislation is passed we will continue to ensure that a large number of people who come under federal jurisdiction because of their employment will be working fully but will not be earning enough money on which to live in anything but poverty. I do not think that is good enough. My colleague, the hon. member for Winnipeg North Centre (Mr. Knowles), has a bill on the order paper which would set the minimum wage at $2 an hour. The Canadian Labour Congress suggested it should be set at $2.50 an hour and the Canadian Railway Labour Association suggests in its brief to the government that the minimum wage should be set at $2.25 an hour. I would be prepared to accept any of these suggestions but I am certainly convinced—

Mr. Perrault: What is the Manitoba figure going to be? Do you know?

Mr. Orlikow: I have not spoken to my colleagues in Manitoba, but I am sure when this government moves up the province of Manitoba will do so too, as will the other provinces.

Mr. Perrault: Following the Liberal lead.

Mr. Orlikow: I do not think the government of Manitoba will follow any Liberal lead, and the parliamentary secretary knows this. I cannot accept the proposal of the minister that the $1.75 an hour in the future be amended through order in council as need is demonstrated. We have seen—and I shall deal with this later in respect of another aspect—how difficult it is to get the government to act. I had hoped the minister would have been prepared to spell out in this legislation that the $1.75 an hour he is proposing, which I have already said is much too low, would be adjusted annually and automatically based on increases in the cost of living.

With the exception of last year, we know the cost of living has been going up something in the neighbourhood of from 3 per cent to 5 per cent or more a year. This year's increase in the first three months of 1½ per cent indicates we are to have in this year an increase in the cost of living of between 5 per cent and 6 per cent. That being the case, I am not prepared to leave the adjustment of the minimum wage to the whole cabinet. I would not mind if the Minister of Labour (Mr. Mackasey) could do it on his own, because I have a good deal more confidence in him than in most other ministers of the government. I certainly am not prepared to leave the adjustment of the minimum wage to the whole cabinet through order in council, because we know from experience how slow a process that can be.

• (4:50 p.m.)

Before I leave the question of a minimum wage, I want to repeat what I said in 1965. I regret very much that this bill does not provide for a basic wage of even $1.75, as it does for all employees who come under federal jurisdiction, and give protection to the workers in the Northwest Territories and the Yukon. These two territories are almost entirely dependent upon the federal government for their way of life. Because of their tremendous distance from the main centres of population in Canada and their very difficult terrain, these areas have the highest cost of living in Canada. These two areas have a very high, if not the highest, percentage of native people, Indians and Eskimos, in Canada. This is not the time to go into the terrible problems which we have foisted upon the descendants of the original inhabitants of this country. The incomes of the Indian and Eskimo people of this country, whether derived from work or other sources such as welfare or pension, are a disgrace.

Yesterday I spoke to a Canadian who spent five years working in backward, underdeveloped Africa. That person spent last week not in the Northwest Territories or the Yukon, but in The Pas, Manitoba. She told me she had never seen the kind of poverty, hopelessness and despair in backward, underdeveloped Africa which she witnessed among the Indian and Métis people in The Pas.

It would have been very easy for the government to include a clause in this legislation which would give the protection of this miserly $1.75 minimum wage to the workers in the Northwest Territories and in the Yukon.

I want to deal with one other matter, the supposed provisions in the act passed in 1965 with regard to the hours of work. The then Minister of Labour hailed this act as a great step forward, since it provided for not only a minimum wage but a 40 hour week. When the bill was originally introduced, it provided that where industries might be adversely affected by the implementation of a 40 hour week, they could apply to the department for a deferment before the 40 hour week provision would be implemented. The act provided that the minister could give up to an 18 month deferment. At that time, some hon. members, including myself, protested that the 18 month deferment was too long a period of time. I must confess that I was an extremely naïve Member of Parliament in 1965. I did not realize that not only could the minister give an 18 month deferment, but by taking the request under advisement he could in fact give what amounts to a permanent deferment.

Six years after being given such glowing hosannas about the paradise which this bill would create for the working people of Canada, almost every industry that comes under federal jurisdiction not only applied, but got and still has a deferment. The railway, marine, shipping and trucking industries still have not been brought under the provisions of the act with regard to the hours of work for workers.

The trade unions know the difficulties in their industries. At the time we passed the original bill, the Teamsters Union made representations to members of all parties about what might happen. The railway institutions made and are still making representations. The Canadian Railway Labour Association dealt with this problem in their April 19, 1971 submission. They agreed that there are problems which make it difficult to implement the sections of the act with regard to those who operate the trains. They made it clear in their submission that there is no excuse, six years after the original enactment of this bill for the non-operating employees, who represent 85 per cent or more of all railway employees, not yet being covered by the provisions of this act. If this is true, it denotes the most cynical collusion between the Department of Labour and the government on the one hand, and the railway employers on the other.

I hope the minister will make good the sentiments he expressed in his speech when he introduced this bill and that in the near future, certainly within a year, the number of workers who are still exempt from the protection which this bill supposedly gave to employees who come under federal jurisdiction will be reduced to the irreducible minimum. They would those employees for whom there is a relevant reason why the 40 hour provision cannot be applied.

I am going to vote for this bill, Mr. Speaker, mainly because what it provides can be agreed upon by all parties and all people in Canada. Those matters raised by the hon. member for York East (Mr. Otto) about strikes, the labour code and other matters can be debated in more detail and more relevantly when the minister brings forward the amendments to the Industrial Relations and Disputes Investigation Act which he has promised.

The Acting Speaker (Mr. Richard): The hon. member for Vancouver-Kingsway.

Mrs. MacInnis: May I call it five o'clock, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order, please. It being five o'clock it is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Winnipeg North (Mr. Orlikow)—Unemployment—Plans for provision of summer jobs for students; the hon. member for Compton (Mr. Latulippe)—Inquiry of the Ministry; the hon. member for Winnipeg North (Mr. Orlikow)—Unemployment—Rate of hard-core unemployment.

It being five o'clock, the House will now proceed to the consideration of private member's business as listed on today's Order Paper, namely, public bills.

PRIVATE MEMBERS' PUBLIC BILLS

DATA PRIVACY ACT

PREVENTION OF MISUSE OF INFORMATION STORED IN DATA BANKS

Mr. Tom H. Goode (Burnaby-Richmond-Delta) moved that Bill C-38, to prevent the invasion of privacy resulting from the misuse of information stored in data banks, be read the second time and referred to the Standing Committee on Justice and Legal Affairs.

He said: Mr. Speaker, perhaps it would be well for me to begin by outlining the reasons that I took it upon myself to bring forth a bill such as this one. It might seem to hon. members, and I am sure we will hear from them in the course of this debate, that a matter of this importance should be dealt with by the appropriate ministers of the Crown. After all, these ministers have the expertise of whole departments at their disposal. Surely, the country should not have to wait for a backbencher to bring forward a measure of this urgency and importance; a bill designed to meet the threat posed to the very foundation of our existence as a free people by the misuse of computer technology. Yet this is exactly what has happened.

• (5:00 p.m.)

The logical next question, then, is why is this independent action on my part necessary? Is nothing

being done by the Department of Communications? The short answer to that question appears to be that the departmental leadership is not especially interested in the role computers and data banks are playing in depriving us of a vital part of our freedom. Let me cite, for example, the words of the minister in a speech to the Montreal Chapter of the Data Processing Management Association on February 19 of last year:

> It is not my intention here to dwell at length on the threats, real or imagined, that the computer utility poses for Canadians either individually or collectively. We are much more interested in the promise.

Well, I am interested in the promise, too; the promise of a future without Big Brother.

There have been a few glimmers of hope. In a one-sentence statement late last November it was finally announced that a special group within the task force on computer-communications will prepare a separate report on privacy. Even more significant perhaps is the fact that the Department of Communications did join with the Department of Justice, the Information Processing Society and Queen's University in sponsoring a conference on computers and privacy last May. To those assembled at the conference, however, the minister chose to deliver a speech some 14 pages in length during which he devoted only one and one-half paragraphs to the subject at hand, and those few words were spent minimizing the problem. "This conference", the minister said, "is a step, and no more than a step, in exploring the potential—and I emphasize the word "potential"—invasion and circumscription of privacy which may be brought about by the rapid development of computerized information systems and data banks." He closed his meagre remarks on the privacy issue by proclaiming: " I intend to say no more on the issue of computers and the invasion of privacy. In the first place I am in no sense an expert. In the second place, it is the business of this conference."

I am willing to admit, Mr. Speaker, that the Minister of Communications (Mr. Kierans) may not be an expert, but I think the people of Canada have a right to expect that he at least approach this subject with the interest of a concerned layman.

Nor does the report of the telecommission issued earlier this month give much cause for satisfaction on this issue. Despite catchy headings such as "Soul in the System" and "The Human Goldfish" it is clear that the hand of the technocrat lies heavily on this report. This is only to be expected, for the primary concerns of the telecommission are technological issues. I submit, however, that privacy is very much a human issue and must be treated as such.

As I read the report, the authors argue that while there is a potential problem it is not one that we in Canada have to deal with immediately. Neither the public nor the private sector, they argue, are computerized to the extent we see in the United States and therefore it would be "premature to concentrate too much attention on locking the stable door before there is a horse inside." Well, Mr. Speaker, if we must sink to dealing in proverbs I have one for the Telecommission: "An ounce of prevention is worth a pound of cure."

So, as the Minister of Communications becomes more and more entangled in the Wired City where does that leave us? Well, fortunately, Mr. Speaker, there is a member of the cabinet who is concerned. I refer, of course, to the Minister of Justice (Mr. Turner). He has stated on many occasions that he is alarmed about the growth of techniques which permit infringement on our privacy. Everything from devices the size of a pin which can transmit voices a distance of 25 miles, to parabolic microphones which can capture the conversations of persons miles away, to miniature cameras capable of photographing a subject two blocks away by moonlight—all of these devices can and are being used to destroy the privacy of Canadians. This is frightening, but there is a more severe threat yet. The minister expressed it in a speech last May. He said this:

> The threat to privacy from electronic eavesdropping in both an individual and societal sense, pales before the privacy-shrinking enormities inherent in the computronics of data surveillance. It is here that the new information transfer technologies, with their capacity to accumulate, manipulate, store, retrieve, transmit and disclose information, come into their own.

The Minister of Justice then went on to quote Professor Arthur Miller of the University of Michigan Law School on the subject:

> The computer, with its insatiable appetite for information, its image of infallibility, and its inability to forget anything that has been stored in it, may become the heart of surveillance system that will turn society into a transparent world in which our homes, our finances and our associations will be bared to a wide range of observers.

I submit to you, Mr. Speaker, that the time is close at hand. We must not delay taking corrective and preventive measures while we still can. In the August-September, 1970, edition of Data Systems News, a trade journal of some considerable repute, Mr. Robert P. Henderson, Vice-President and General Manager of Honeywell Corporation's Electronic Data Processing Division, put it very bluntly. He said:

> We have until, possibly, 1975 to come up with a solution. If we wait until 1977, it will already be 1984.

Mr. Henderson says "possibly 1975", 1975 at the outside. Do you really want to wait that long? Do you really want to live in a world where there is no refuge, where your every dealing, no matter how intimate, is known?

The Minister of Justice has said that he is concerned and alarmed. I believe that. I also believe that the Department of Justice is working on controls for computer systems. But the unfortunate fact is, as one of our leading newspapers pointed out not too long ago, the Minister of Justice has been concerned and alarmed since he took over the portfolio, and still parliament has taken no legislative action on this matter.

The reason for the introduction of my bill at this time, then, is to impress upon not only this government but upon governments at all levels that the time for action is now. What I am presenting is an alternative to the general lack of protective legislation for Canadians in this vital field. I have drafted the bill in the widest possible way so that hon. members may be able this afternoon to address themselves to almost any aspect of this most complex and far-reaching subject.

Briefly, what Bill C-38 would do would be to establish a register of virtually all data banks in Canada. The operators of these data banks would be required to give the individuals concerned a print-out of all information stored about them, the names and addresses of all who receive it and a note on the purposes for which it has and is being used. There would be criminal penalties for failure to comply with the law and civil remedies for aggrieved persons. Individuals about whom information is contained in data banks would have the right to apply to have the information expunged or amended.

The bill does not, however, deal with another danger of the computer age—the storage of information about Canadians in foreign-controlled data banks. This omission does not mean that I think lightly of the danger of a situation in which, potentially, the nationals or government of another country could gain uncontrolled access to information about the private affairs of Canadians. Just the opposite. I believe this subject must be dealt with as soon as possible in legislation which would prohibit storage of such data outside our borders. Such legislation is a necessary companion-piece to the bill I am presenting today. The full title of this bill is "An act to prevent the invasion of privacy resulting from the misuse of information stored in data banks". In order to understand just what is meant by the phrase "invasion of privacy" we must examine the concept of privacy itself.

• (5:10 p.m.)

Is privacy really that important a factor in our lives? Must we have privacy in order to have dignity and freedom? The answer to these questions must, I submit, be an emphatic "Yes". To exist without privacy is to exist as something other than a full human being. Professor Charles Fried of Yale University has put it this way:

> Privacy is not just one possible means among others to insure some other value, but it is necessarily related to ends and relations of the most fundamental sort: respect, love, friendship and trust. Privacy is not merely a good technique for furthering these fundamental relations; rather without privacy they are simply inconceivable. They require a context of privacy or the possibility of privacy for their existence. To make clear the necessity of privacy as a context for respect, love, friendship and trust is to bring out also why a threat to privacy seems to threaten our very integrity as persons. To respect, love, trust, feel affection for others and to regard ourselves as the objects of love, trust and affection is at the heart of our notion of ourselves as persons among persons, and privacy is the necessary atmosphere for these attitudes and actions, as oxygen is for combustion.

But does there exist a right to privacy? I would have to argue that in legal terms there is a very serious doubt that most Canadians can claim such a right. Canada has clearly been backward in this regard, especially in comparison to the United States. For example, the first article in an American legal journal setting forth the proposition of the right to privacy was written in 1890. The first article on this subject in Canada was not published until 1961, 71 years later. For over 70 years while writing, debate and legislative activity on this vital issue were taking place in the United States, Canadians did virtually nothing. This is a difficult fact to accept, but it is true and it reflects badly on both our scholars and our legislators.

So, it is that we must look to the U.S. experience. As I have said, the right to privacy was first seriously postulated in that country by Louis Brandeis and Samuel Warren in 1890. They described the right to privacy as the right to be left alone. Some 40 years after he had examined this right in the Harvard Law Review, Louis Brandeis, as Associate Chief Justice of the United States Supreme Court, wrote a dissenting judgment that described in this way the philosophic underpinnings of the right to privacy:

> The makers of the constitution undertook to secure conditions favourable to the pursuit of happiness. They recognized the significance of man's spiritual nature, of his feelings and of his intellect. They knew that only a part of the pain, pleasure and satisfaction of life are to be found in material things. They sought to protect people in their beliefs, their thoughts, their emotions and their sensations. They conferred as against the government, the right to be let alone—the most comprehensive of rights and the right most valued by civilized men.

So, gradually the majority of U.S. jurisdictions came to accept the right of privacy as a legal right providing protection for American citizens, while that right continued to have practically no status in Canada.

It was not until 1968 that the first breakthrough was made in Canada. In that year my home province of British Columbia passed its Privacy Act which Jerome Atrens, in an article in *The Advocate*, called "the first legislation of its kind in the Commonwealth". Mr. Atrens, a member of the faculty of law at the University of British Columbia, commented:

> The enactment of the British Columbia Privacy Act is one of the most significant recent developments in the law of torts. Anglo-Canadian common law has never recognized an independent right of privacy. Under our common law the privacy of the individual receives indirect but inadequate protection through various causes of action, such as defamation, breach of contract, interference with a property right, trespass, nuisance and infringement of copyright.
>
> The Privacy Act is the first legislation of its kind in the Commonwealth.

In the two and a half years since that article was written, the provinces have done little to advance the cause of protection of privacy; the federal government, nothing at all. The intention of my bill is to correct that act of omission in an extremely sensitive area, that of the improper use of computer technology.

The computer has quickly become a dominant influence in the commerce, industry and administration of western society. Experts rightly caution that the output of such machines depends on the material and facts fed into them. Men, not machines, are to be blamed for the abuses that may flow from "electronic brains". Electricity, gunpowder and the internal combustion engine are all valuable servants but dangerous when misused.

It cannot be denied, however, that it is the very efficiency of these machines that makes abuse both relatively easy and extremely tempting. Discussing the growing power of computers, M. S. Stone and Malcolm Warner, in an article in the *Political Quarterly*, note that the computers of 1968 were 1,000 times as fast as the largest of those manufactured in 1954. They have become smaller

and more compact while the cost of computing power and data storage has declined sharply.

In economic terms, it has become not only possible but profitable to maintain exceedingly detailed information on whole populations. In fact, the computer technology of today almost invites this. For example, if a corporation, or a government agency for that matter, is devising a form to be completed by its clients for later conversion into computer language, what is the difference if a few extra questions are added? They may not be relevant today but the answers might be handy to have a month or a decade from now. Before the advent of the computer such an attitude would have meant more work, bulkier files, and more difficult retrieval. Unfortunately for our privacy, this is no longer a problem.

Consider this case. In Washington, the National Aeronautics and Space Administration has awarded Honeywell a contract to develop a laser-storage technique that will allow one 4,500 foot magnetic tape to record and instantaneously feed back the equivalent of 12 pages apiece about every person in the entire United States. Less than one mile of tape containing the life history and habits of over 200 million people!

I must emphasize again that I do not mean to imply that computer technology is somehow bad and that data banks are dangerous in and of themselves. Of course, this is not the case. It is not some evil mastermind that I fear but rather those who, in the name of efficiency, start us on the road to that glass prison that is an existence without privacy. It happens that government itself is very prone to this sort of thing. Attacked on all sides for not being efficient, governments are apt to do what is expedient in the personal information field, much to the detriment of the people. An example of this type of thing, I believe, is to be seen in the decision of the government of Ontario to provide the following service, as reported in the *Globe and Mail* of December 15, 1970:

> Anyone with $2 will be able to find out all your major debts in Ontario under a new computer storage system being launched January 1.
>
> The searcher will have to get an account number with the Ontario Department of Justice, but anyone will be able to get such a number.

I am sure that this new system is much more efficient than the old method of searching through records in 48 offices across the province. Whether efficiency alone should be the criterion used to judge a plan such as this, I leave to the consideration of the people of Ontario. What would really bother me if I were a citizen of this province would be the decision the provincial government has taken to use the same data bank to store this information with information from another department. With just a slight change in the computer program, this could provide the basis for computer dossiers for most adults in Ontario. Legally there is no protection against such an abuse.

• (5:20 p.m.)

A potentially even more dangerous trend came to my attention last summer. On July 10, the Minister of National Health and Welfare (Mr. Munro) announced that the federal government was going to contribute over $97,000 toward a pilot project in Prince Edward Island to evaluate the use of social insurance numbers in providing health services to the public. According to the press release the project would "test the use of social insurance numbers assigned to P.E.I. residents in administering health services, in research and possibly in other social fields." I just wonder what those "other social fields" might be. I do not know. I do know that the use of social insurance numbers is being required more and more often on everything from tax forms to medicare applications. This is, I suppose, a reaction to one of the findings of the royal commission on government organization. This is what the Glassco commission report had to say—

The Acting Speaker (Mr. Richard): Order, please. The hon. member's time has expired. Is it agreed that the hon. member may carry on?

Some hon. Members: Agreed.

Mr. Goode: I will conclude in a very few minutes, Mr. Speaker.

Mr. Knowles (Winnipeg North Centre): Put it on the computer.

Mr. Goode: This is what the Glassco commission report had to say:

> The real benefits of integrating the flow of information can only be realized by automatic handling throughout, which will facilitate the exchange of common information between different systems. A numbering system that could be used to identify individuals for all purposes would contribute significantly to improved efficiency both in government and outside.

I am not satisfied that enough thought has been given to the implications of this suggestion. I recognize, even though somewhat reluctantly, the need for numerical identification in the computer age. However, I feel I must sound a warning note. If the trend continues for individual Canadians to be known more and more as one specific set of digits, our social insurance number, then we may well be in very serious danger of loss of privacy. Because of the increasing compatability of the latest computers and their ability to communicate with each other, our social insurance number could become the key which would open up our lives to the unscrupulous data bank manipulator. Computer languages have become so standardized that data may flow easily in and out of separate systems. For instance, information about 705-113-405 could easily be traded between various data banks to form a complete record of the subject's dealings and activities. We must take steps to ensure that this does not happen.

In summary, put in its simplest terms, the problem is that many generations after the development of the original computer data systems, we still do not even have laws to govern the use of first generation computers. My bill will not solve all the problems I have raised this afternoon. I do not claim that. But it would be a start, and that is what is needed. The rapid expansion of the information processing art has left us with little time remaining to deal intelligently with the situation. We just cannot afford to put this vital matter off until next year,

next session or next month. The time for action is now, for ultimately it will be too late.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I should first of all like to commend the hon. member for bringing forward this bill. His last few remarks regarding this existing problem in Canada were very cogent. The time to move is now, because we do need some kind of control over the rapid explosion of the data bank systems in credit bureaus and other areas which is taking place in this country of ours. The privacy of individuals can be invaded very easily in this highly technological era in which we live.

I am amazed to some extent that a bill such as this should be brought forward by a private member rather than by the Minister of Consumer and Corporate Affairs (Mr. Basford). We, in Canada, are sometimes motivated in our legislative thinking by fears which date back to the depression years of the 1930's. We are trying to pass legislation geared for the 1970's based on our thinking of the past. Certain legislation in respect of whether my wife or another housewife buys the proper size can of pork and beans must be based on eighteenth century thinking. Our whole education system has failed completely if we are no longer able to judge the per ounce cost of a can of beans which contains 28 ounces. I suggest this whole concept is misguided and motivated by fears which arose during the depression years. Perhaps this is understandable when one thinks of the sociological effects of a depression. Many people in the government and in the House of Commons today were of young and tender years during the past depression. This may have had a formative effect on our thinking.

Our computers are here to stay and we are wondering whether we can effectively manage machines or whether machines will manage men. This is a question of the 1970's and we are very concerned about it. About a year or two ago, I attended a seminar of UNESCO which studied the whole question of computers and data banks. This was attended by two members from each of the many influential nations which belong to the United Nations. They discussed what was being done in their countries. There were two members from Russia, two from Sweden as well as representatives from other countries. I was particularly interested in this subject matter as a firm believer in the suggestion that the individuality of man must be protected. Man must always have control over machines and the society in which he lives.

The rapid increase in the use of computer systems and data bank information is beginning to have more and more effect on our society. The Swedish delegates to this seminar explained that the government of Sweden has a national data bank system with information on everybody. If my memory serves me correctly, it is against the law there for anybody else to have such a data bank system. The government system contains all the factual information that can be gathered in respect of the individual. An individual can have access to that information merely by dialing a telephone number. One of the delegates suggested that this was perfectly all right. If an individual wanted to hire someone in Sweden, all he had to do was phone this number to find out the job that individual now held, how much he was receiving and how many jobs he had held over the last ten years. In other words, he could ascertain quickly whether an individual was likely to stay in his employ for some time. He could ascertain quickly what the individual's former employer thought he was worth by finding out his present wage. This seems to be a bit frightening.

The Swedish delegates went on to explain that this system went a little further. The government had developed a scheme whereby they could put an isotope on the fingertip of every person in Sweden. Instead of having a social security number, as suggested by the former speaker, each person would have this isotope on his finger. In this way one could gain access to the whereabouts of that individual at any given time. The isotope could be fed into a computer system and at any time within the range of the computer system a government official could find out in what part of the city that isotope was. He could even determine whether you were at home with your wife or in a neighbouring city, where you were supposed to be, or down the road and across the street.

• (5:30 p.m.)

It is a frightening experience to listen to educated men explaining how carefully and closely you could be watched by a machine. We in this country have reached the stage of having a social security number. But they were even thinking of putting everybody on a particular isotope which could be implanted in the finger tip and all you would have to do is record the individual so that a computer could indicate where he was at any given time.

Surely we have advanced far enough in the system of data banks, credit bureaux and the relationship that a credit bureau will have to a particular individual to sit down as educated people and say that we must bring in legislation to protect the individual against possible false compilation of information. A section of Bill C-38 deals very fully with the ability of an individual to dial and receive information about himself filed in the bank and to request that the information be changed. I would go further than is suggested in the bill. If the data centre is not prepared to change the information, it should be possible to sue them and take them to court because they are releasing false data about a person. Then at least the courts could decide whether they were releasing false data.

It seems to me that our whole society depends on the individual and on his having as much freedom as possible to do what he wants to do. Our society is geared to the belief that we must have a higher quality of life. In my way of thinking we cannot have a high quality of life if some persons are allowed to compile false data about us and to release it without our knowledge.

We have had extensive discussion in the House about the RCMP compiling dossiers on Members of Parliament and anyone else. We may have some sense of security because surely the information they compile will only be released to a few people. However, credit bureaux and data information banks release information for a price—information which may be completely false.

Another interesting aspect of data banks and credit bureau systems established in this country is that in most

cases they are owned by U.S. concerns: all the information is being fed to a computer in a foreign country. It seems to me it is high time we took steps to control this machinery. They could exchange data bank information for a price and data banks could be drained dry in exchanging information. This is a very alarming possibility, because an individual might now know what information is compiled about him by data banks and with whom they have exchanged it.

This bill attempts to set out rules and regulations whereby a data bank would have to inform the individual who has asked what information was given about him. He could then ascertain how it was used and whether it was used in a manner which might detrimentally affect the health and welfare of his family and himself. I believe it is very important that an individual in our society knows what information is being spread about him throughout the country and how it is being used. If we believe in the concept that the individual is the all-important being in our society, surely we must take concrete action to assure individuals that in fact the government believes them to be all-important. If we do not accept that concept we can no longer believe that we are striving for a higher quality of life for the individual, because the misuse of information compiled without the knowledge of the individual can be detrimental to society as a whole.

I commend the Ontario government for establishing some sort of control. I think that the Department of Consumer and Corporate Affairs, as I said at the beginning of my speech, is operating from a fear complex, which perhaps originated in the 1930s, that if in fact 20 per cent of the tax dollar is spent on education, a person in our society will sooner or later be sufficiently educated to understand what is the proper size of a container in which he buys his food. But even with the best education that our society can provide, we cannot match the complex data systems that are being established on the North American continent—and I stress the words "North American continent". We are alarmed, as individuals, at their wide use and at the misuse of information which may detrimentally affect our society. If the government will not bring in legislation to give the individual tools with which to cope with the complex situation in which he finds himself in the twentieth century, then it is failing miserably to live up to its responsibilities in this day and age.

I commend the hon. member for introducing this bill. I hope he will be able to convince the Minister of Consumer and Corporate Affairs (Mr. Basford) that action along this line should be taken. I hope the bill will be sent to committee where it will receive exhaustive study. I am not naïve enough to think that the government will accept the bill as drafted, but I would like to think that after studying it the government will bring in a similar bill or one with the same purpose, that is, the protection of the individual from a computer system which can compile and release false information about him which might be detrimental to him and his family.

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I support the principle of this bill because I believe we must take steps to prevent the invasion of privacy—not just the invasion of privacy resulting from the misuse of information stored in data banks but the invasion of all privacy.

When the Prime Minister (Mr. Trudeau), before he was Prime Minister, said that the state had no business in the bedrooms of the nation, I agreed with him and commended him. When the Minister of Justice (Mr. Turner) proposes to bring in a bill which will, if not prohibit the use of wiretapping and electronic surveillance, certainly regulate and control it, I commend him and support it. When the Solicitor General (Mr. Goyer) is asked whether the RCMP are listening to telephone conversations of Members of Parliament and refuses to make a clear and unequivocal denial that such practice exists, I am critical of him—not because I believe, as some people have said, that Members of Parliament are a special class of citizens entitled to privileges to which nobody else is entitled, but because I believe that it is wrong to permit wiretapping.

• (5:40 p.m.)

Even if there are occasions when wiretapping or electronic surveillance may be necessary, it is wrong to permit it without the most severe checks on how and when it is done. So, Mr. Speaker, when the Solicitor General gives answers that can only be interpreted to mean that in all probability the RCMP are wiretapping the phones of some Members of Parliament, and when the police in Toronto issue a report—as they did a few days ago—that over a certain period of time they had wiretapped 57 telephones in Toronto without accounting to the Attorney General of the province, to a superior court judge or to anybody else except, I presume, to the chief of police of the city of Toronto, I am concerned because I have always believed and will continue to believe and hope that the people of this country are entitled to privacy.

I could not help being struck by some of the comments made by the hon. member who introduced this bill. He held up the horrible example of the province of Ontario which, according to him—and I remember reading the news item at the time—was considering permitting any person on payment of a $2 fee to get information stored in data banks, information which had been compiled for government purposes by the province. I am not enthused over that idea. I feel no needs to defend the government of Ontario, but one would have hoped that the hon. member would have been fair and would have also told hon. members of the House that recently the province of Ontario announced it was introducing legislation which would control the use of information collected by agencies, particularly private agencies, and would permit any person who asked to be shown the information collected about him in the records of agencies. The hon. member did not do that, and in all fairness I think it should be pointed out that the government of Ontario is to be commended for its example to all other provinces.

I am much more concerned about invasion of the privacy of the people of Canada by private agencies than I am about the invasion of their privacy by governments. But the hon. member who introduced the bill did not

mention that at all. I suppose very few of us in Canada have not on occasion bought something without paying for it fully in cash. Usually a person needs a mortgage to buy a house, credit to buy a car, a television set, a radio, a stove, a frig or furniture.

When we get credit cards, whether they be from Freimans, Eaton's, Simpsons-Sears or credit cards covering gas and oil purchases, we know that the companies issuing them will have made inquiries about us. But I wonder how many people realize that when such inquiry is made the information collected is in all probability exchanged among the oil companies, the merchants and the credit bureaux all across Canada. In fact, as mentioned by the hon. member for Crowfoot (Mr. Horner), in all likelihood such information is sent down for processing to the United States. That is a risk which most of us who want credit must face.

What we have not realized is that during this collection of information about us, agencies not only get information from the banks with which we deal, from retail companies and oil companies with which we deal, but also talk to our neighbours and acquaintances. Mr. Speaker, your neighbour may not be your friend. Your neighbour may have had an argument with you. Your neighbour may be ill-disposed to you, and to the inquiring organization your neighbour may give information which in whole or in part is false. Your neighbour may tell somebody who inquires about you that you do not pay your bills. Your neighbour may tell somebody inquiring about you that you drink to excess.

Mr. Knowles (Winnipeg North Centre): Or that you have not stopped beating your wife.

Mr. Orlikow: As my colleague from Winnipeg North Centre (Mr. Knowles) says, your neighbour may say that you have not stopped beating your wife. Your neighbour may say you run around with somebody else's wife. All that information—true, false, partially true, partially false—goes into your record and you may not know anything about it. If I had time I could read into the record many cases where mistakes were made, where people were denied jobs because allegations had been made about them which were not true but which the people concerned did not know about and which they could not disprove. I could cite cases of people who were accused of the most heinous crimes and did not know about the accusations.

It is because this kind of thing goes on that I support the principle of the bill. I believe a person is entitled to privacy. I believe a person has a right to know that adverse allegations have been made about him, so that he may defend himself. I believe in the principle that the people of Canada are entitled to privacy and are entitled to inspect data bank records and credit reports which are made about them. I believe that people are entitled to privacy, unless they are lawbreakers, against the incursions of both government agencies and private agencies. Because of this I am prepared to support the principle enunciated in the bill, although I was less than enthused over the arguments put forward by the hon. member who introduced it.

• (5:50 p.m.)

I listened with a great deal of interest to the remarks of hon. members, particularly the hon. member who just sat down. I am sure we all agree that in a democratic society we have a very strong obligation to preserve the rights of individuals, and the right to privacy is very much part of that. None of us wants to create mechanisms which could be subverted at some future date to the workings of a police state.

Having said that, Mr. Speaker—and I am sure there is no disagreement in this respect—there are other aspects of this bill which call for very careful consideration before Parliament or any other body in Canada adopts it.

Mr. Lloyd Francis (Ottawa West): Mr. Speaker, briefly what is at stake here in our national policy with regard to computers. I suggest we have very basic objectives. We want to create in Canada a computer technology of full range from basic computers of the so-called hardware type and design to the application of special machines to serve business and consumers and to the creation of computers to assist small, competitive businesses engaged in service to the public.

We want to create a leading place for Canada in this industry because we recognize its basic importance in the development of technology and improvement of productivity in industry. I think we also want to provide a maximum range of service to consumers. We want to prevent fraud, and we want to make it possible for consumers to use a credit card to purchase gasoline if they go on a trip to our neighbour to the south, rent a hotel room or purchase a number of other things.

In an attempt to reach these basic objectives I suggest we are obliged to distinguish between private and public use of data banks and computers. The hon. member exempted from his bill certain categories of police investigation and data banks used for that purpose and other public services. However, I note that many areas in which the hon. member claimed there was the possibility of abuse did involve government. He talked about possible extension of social security numbers and of a test project of the Department of National Health and Welfare to ascertain what can be done with the application of these numbers. He raised questions about the possible extension to other areas.

The very areas he has excluded from the bill, government services, are those wherein the problem he posed arises in its sharpest form. On the other hand, there are developments in the area of private industry, to which this bill would primarily apply, which I think would create unnecessary restrictions and impede the development of a national policy with regard to the best use of computers.

Along with a number of other members of this House I accepted the invitation of a local computer firm last week when Systems Dimensions Limited asked us to visit them, see what they are doing and learn something about the computer industry. I very much appreciated their hospitality. The service they placed at our disposal, the senior staff now accompanied us and the opportunity to

freely ask questions gave us a better understanding of what goes on.

One thing that struck me forcibly was the elaborate provision for privacy which was the essence of their service. They operate 24 hours a day. In many businesses, after closing at five o'clock an hour or two is spent putting basic data on computer tape, which is then fed by electronic devices, or in some cases over the telephone, to the computer bank. However, this firm had an elaborate precaution, extending to every member of its staff, which ensured that information coming from one customer was completely shrouded in secrecy. They were selling the service to industry and prided themselves on the fact that they had built security and privacy into their data bank that was foolproof against raids by competitors. It was the essence of their service that the 150 people using it were confident that when they bought the service none of the information would be available to anyone else.

I was pleasantly surprised to find that this company had developed an export business fully competitive in its pricing and range of service. It has a number of customers south of the border who find that they can come to Ottawa and buy the service more economically and efficiently than in neighbouring northern United States cities.

The hon. member who proposed this bill would prohibit the use of memory banks across international borders. I suggest that this cannot be prohibited. It has to be examined on its merits. We are developing an industry in this country with a population of 21½ million people and the very essence of the industry is that it should be free to compete for business in the large market to the south. If we are prepared to do business to the south, we must be prepared to allow businesses based in the United States to have certain reciprocal access to our market where we offer a specialized service.

I use an international brand of gasoline and I cannot conceive of the situation where I cannot use my credit card almost anywhere on the North American continent. I know very well that when I make a purchase on my credit card, the details of the purchase will go into a computer bank. I would be naïve to think that the computer bank would have to be located in Canada through any type of legislative compulsion that would fly in the face of the economics of the industry. I want to the service of that credit card and I have to face the consequences of the industry having a certain international aspect.

I agree with the intent of the bill, Mr. Speaker, and I agree that this is an important question. It deserves a place in the legislation not only of this House but of all democratic societies in the western world. The answers are not simple; they are not black and white—but they do not involve a prohibition on computer information going across an international border. They do not, I think, involve placing elaborate, red tape restrictions on access to information from data banks.

Mr. Knowles (Winnipeg North Centre): Six o'clock.

The Acting Speaker (Mr. Richard): Order, please. The hour set aside for the consideration of private members' business has expired. I have just one remark to make about the subject under consideration. Perhaps we should legalize only those data banks which would store and freely provide information on the qualities and good points of individuals.

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

CANADA LABOUR (STANDARDS) CODE

AMENDMENTS RESPECTING HOURS OF WORK, WAGES, VACATIONS, TERMINATION OF EMPLOYMENT, ETC.

The House resumed consideration of the motion of Mr. Mackasey that Bill C-228, to amend the Canada Labour (Standards) Code, be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, my colleagues have dealt very thoroughly with our criticism of a number of the features of this legislation and it is my intention to emphasize only two of the points in the bill, the provision that deals with equal pay for women and the provision having to do with maternity leave.

This bill provides for the repeal of the Female Employees Equal Pay Act of 1956 and its replacement by new provisions. The minister emphatically explained that these new provisions are stronger than those in the old legislation. We certainly hope so. Under the old act differences in rates of pay were prohibited for men and women performing "identical or substantially identical work". Under the proposed section of the code this prohibition is extended by referring to "the same or similar work on jobs requiring the same or similar skill, effort and responsibility". The wording undoubtedly is more elaborate and detailed. I wish the minister had been a little more detailed in his explanation of the difference. I hope there is a difference and not merely a change of wording. I hope, also, that this provision will really represent a difference in practice. One wonders how fool proof the new legislation will be in practice.

• (8:10 p.m.)

The president of the Canada Labour Congress has referred to the fact that this provision is somewhat loosely worded: it is not very explicit. The new provision will make evasion a little more difficult for employers. It will still allow them to pay women at a lower rate for work which involves more skill and responsibility than work done by highly paid male workers. This situation exists in some industries. The minister said he wanted to carry

out the recommendations in the report of the Royal Commission on the Status of Women. Paragraph 218 at page 67 of that report reads:

> Canada has not, however, ratified the International Labour Organization convention concerning equal remuneration for men and women workers for work of equal value (Convention 100). We believe that Canada should do this. Therefore, we recommend that a federal-provincial conference on labour legislation affecting women in Canada be called to prepare for Canada's ratification of the International Labour Organization convention concerning equal remuneration for men and women workers for work of equal value (Convention 100).

The minister could indicate his stand with regard to this point which is made in the report of the Royal Commission on the Status of Women. I would like the minister to specifically state whether at the recent meeting in Ottawa the labour ministers discussed this point. Could I get the ear of the parliamentary secretary for one moment? I would like the parliamentary secretary to take note of this question. When the minister replies, will he state whether during the labour minister's conference there was discussion on the advisability of Canada ratifying the International Labour Organization's Convention 100. This is a recommendation of the Royal Commission on the Status of Women.

The Canada Labour (Standards) Code affects approximately 530,000 employees who are under the jurisdiction of the federal Department of Labour. There are approximately 2.5 million women in the labour force. In order to have effective legislation regarding equal pay for equal work, it would have to be parallelled by provincial legislation. Will the parliamentary secretary inform the minister that we would like him to report on whether this matter was also discussed at the recent labour ministers' conference and, if so, what was the result? If there were discussions, what was the general feeling about the possibility of getting parallel legislation in the provinces which would make the equal pay changes effective in the provinces?

One big improvement in this legislation, to which the minister referred, is the matter of complaints. He stated, quite rightly, that under the old legislation women were afraid to complain because of the fear of still further discrimination. Under the new bill, the minister stated that the onus will be on the inspectors of the Department of Labour to lay complaints and launch prosecutions. These provisions are only as good as the system of inspection that is established. How thorough will the inspection services be, and how will they be enforced? The fines will be higher, but not much higher than those under the Combines Investigation Act which have been criticized as being very inadequate for large firms.

My colleague, the hon. member for Winnipeg North (Mr. Orlikow), suggested that the Department of Labour should do more than just wait for complaints to turn up. He suggested that where more than 80 per cent of the positions in any job classification are held by members of one sex, the minister should order an investigation into the hiring, training and promotion practices of the industry concerned to see whether there could be a more equitable balance as between male and female employees. We do not say this should be on a 50-50 basis, but where there is a large discrepancy between the number of male and female workers there should be an investigation into the hiring, training and promotion practices. A number of these points should be considered in committee.

While the new legislation is an improvement, it will be no better than the inspection and enforcement of its provisions. It will not be widespread or universal unless the provinces follow it through. I hope the Minister of Labour (Mr. Mackasey) will not wait for the provinces to do this on their own. One of the jobs of a federal minister ought to be to persuade the provinces and to follow through good legislation if only for the reason that there is a great deal of mobility of workers across Canada. There is no use having protection for a worker in one province if he moves to another province which is not under the legislative umbrella. This is equally true of women workers.

I want to deal briefly with the maternity leave provisions. I wish to express my satisfaction that the minister has introduced these two companion provisions. They represent a real advance in the promotion of women workers in Canada. However, I must make some criticism because this legislation does not go far enough. Although it is a step in the right direction, it is far from perfect. Many people will now be experiencing a degree of protection which they did not have before.

One shortcoming in this legislation is that an employee must be employed for 12 months with the same employer in order to qualify for 17 weeks of maternity leave. As the employer will not be required to provide leave with pay but merely unpaid leave of absence, it is hard to understand the need for such a requirement. We would like to know wherein the need lies. It limits a woman's mobility in the work force and restricts the recognition of her right to be in the work force regardless of her biological function of childbearing. At a time when a woman is most in need of a job because of the additional expenses involved, this provision will still allow employers to fire a woman who becomes pregnant if she has not had the luck to work for him for 12 months before becoming pregnant. This seems to us to constitute a real hardship and a shortcoming in the legislation, which ought to be modified. Here again, the minister has probably noted that his legislation differs from the report of the royal commission which recommended 18 weeks of maternity leave, not 17. Again, we should like to know the reason for failure to follow the commission's recommendation.

• (8:20 p.m.)

Moreover, the act only prohibits an employer from dismissing a woman solely because of her pregnancy. The royal commission suggested a blanket prohibition against dismissing a woman, on any ground, during her pregnancy. This blanket provision was recommended because it would prevent an employer from citing a spurious reason for releasing a woman when the actual reason for dismissal was her pregnancy. This is a situation in which the advice of the commission might well be taken. Many employers do not like having pregnant women in the labour force: as a matter of fact, they do not like having

women in the labour force at all and they might well be inclined to cloak their dismissal of a pregnant woman by some other excuse. For this reason it might be well to follow the commission's recommendation by flatly preventing dismissing a woman during her pregnancy.

Another criticism I should like to make concerns the lack of flexibility of the legislation. The clause providing for 11 weeks' leave prior to confinement and six weeks after should be changed so as to eliminate the distinction between before and after childbirth. There is little reason for most women to sit at home and do nothing in the last 11 weeks prior to childbirth. I beg your pardon, Mr. Speaker; I am afraid my sore throat is the result of our convention.

Mr. Perrault: All that cigar smoke!

An hon. Member: I did not know she smoked cigars.

Mrs. MacInnis: I warn hon. members that I intend to get through this speech. I hope it will not be too embarrassing for them, but I intend to finish it.

An hon. Member: Hear, hear!

Mrs. MacInnis: Such women are not sick. In most cases they are fully capable of performing their jobs. A woman with a new baby, a baby she might be nursing, would have much more use for time off after the birth than before. If a woman were allowed to make her own arrangements regarding the 17 weeks, she might well prefer to take one or two weeks off prior to the birth of the child and 16 weeks off afterward. Some of our women friends note that this clause clearly shows the effect of masculine thinking in the drawing up of legislation, rather than that of women. I hope the parliamentary secretary is not responsible for the drafting here, because if he is he will have a lot of explaining to do.

Mr. Perrault: It was a very complicated clause.

Mr. Knowles (Winnipeg North Centre): He has had no experience.

Mrs. MacInnis: Maybe it is complicated, but it is too rigid; it lacks the flexibility it ought to have. Again, in this case it is important that there be consultation between the department and the provinces. While unemployment insurance covers all women in the labour force, this does not; it refers only to women in industries and services which come under federal jurisdiction. It is most important that maternity leave should be extended to all women in the labour force in addition to unemployment insurance, and I trust such leave will be granted in a parallel way.

These are some of the points I wanted to emphasize, although I realize they have been raised earlier. I hope that this legislation will, as a result of consultation with the provinces and consequent action, be extended across Canada in an even-handed way. This may be a small step but it is a genuine step in the right direction. If the inspection and enforcement arrangements can be made foolproof we shall have registered a definite gain in increasing security for women workers across this country.

Mr. Norman A. Cafik (Ontario): Before the House rose for dinner, Mr. Speaker, the hon. member for Winnipeg North (Mr. Orlikow) spoke of his trusting naïvety back in 1965 when he was first elected a Member of Parliament. He indicated that when the Labour (Standards) Code was introduced at that time he believed it was a great document, one which would do great things for workers in the federal sphere.

As a matter of interest I decided to look back in *Hansard* to see just what kind of trust he had in the bill when it was passed at that time. I will put just one short quotation on record to show that his views have not changed a great deal since then. As reported on page 11534 of *Hansard* for February 19, 1965, he said: "Indeed, the whole act probably ought not to be here at all." I presume he meant here in the House, or before the House. So I suggest his critical attitude today is not much different from what it was then.

There was also an exchange between the parliamentary secretary and the hon. member for Winnipeg North prior to dinner in connection with the minimum wage standard, which this bill suggests ought to be $1.75 an hour. The hon. member told us that his party thought it should be higher, that perhaps it ought to be $2 an hour. I am not quarrelling with that. I think the committee ought to look into that side of the question. But it is interesting to note that the only province in Canada where the New Democratic Party is in power has provided for a minimum wage of $1.50. I hope they will follow the example of this bill and make it at least $1.75 an hour.

Mr. Skoberg: You were not here to hear my hon. friend.

Mr. Cafik: I was here and I did listen to him.

[*Translation*]

Mr. Fortin: Speak on this bill instead of bawling!

[*English*]

Mr. Cafik: If we may have order, I will continue, Mr. Speaker. As I was saying, I hope they follow our example. It is interesting to recall that last year we made a change in the legislation to raise the minimum wage to $1.65 an hour, and that has not yet been followed by all the provinces, including the province I have mentioned which has an NDP government.

Mr. Stanbury: Shame!

Mr. Cafik: I should like to make a few observations at this point before the bill is referred to the Standing Committee on Labour, Manpower and Immigration. First, I hope the measure will be passed expeditiously in order that these amendments may take effect on the proposed date of July 1 this year.

As we all know, federal labour standards were first introduced in 1965. The importance of these standards rests on the example the federal government sets for

other jurisdictions as much as on the degree of assistance given to the limited number of employees presently working under federal jurisdiction.

• (8:30 p.m.)

In 1965, the first federal code established the minimum wage at $1.25 an hour. In July, 1970, this was changed to $1.65, and in these proposals it is suggested this figure be amended to $1.75. I support this proposed change, but more importantly I endorse the fact that under this legislation the Governor in Council, upon the recommendation of the Minister of Labour, can increase the figure from time to time without specific legislation being required. The power given to the minister and to the Governor in Council will, I hope, eliminate the long delays in making changes and, hopefully, will result in an annual review of the minimum wage for people working within federal jurisdiction. I hope the committee will give consideration to recommending that the Minister of Labour review this minimum standards annually.

This bill is of particular importance since we have an obligation to protect the unorganized labour forces in Canada which come within federal jurisdiction. Hopefully, as I said before, this legislation should set an example to other jurisdictions and encourage them to take the same action within their areas of responsibility. Most of the members of this House realize that approximately 60 per cent of the labour force of Canada is without the protection of a labour union. On the federal level there is a 50-50 split between organized and unorganized labour. In view of the large numbers of people concerned, these amendments assume particular importance.

The minimum wage standards set in this legislation do not apply to employees under 17 years of age. In 1965 specific regulations were established to set the rate for such people at $1 per hour. In July last year, this rate was raised to $1.40 per hour. It is my understanding that the minister will recommend to cabinet, following passage of this bill, that the regulation be changed to establish the rate at $1.50 per hour. I hope that the minister will review the minimum wage for those under 17 years of age in our work force at the same time as he reviews the over-all minimum wage for those over the age of 17, and that this will be done annually in both instances.

In clause 17, at page 13 of the bill, there is a provision dealing with the individual termination of employment whereby two weeks' notice, or pay in lieu of notice, must be given to an employee with three months' service or more. This provision will apply to all regular employees but not to those performing managerial functions or in professional categories. Frankly, I fail to see why this distinction must be made between ordinary employees and management or professional employees and I trust that the standing committee will look carefully at this question and satisfy itself that there are compelling reasons for making this exception. If there are not compelling reasons, I hope the committee will recommend the elimination of this distinction.

Still on clause 17, I want to talk for a few moments about severance pay and to support the provision where-

[Mr. Cafik.]

by an employee with five or more years' service receives two days per year severance pay, to a maximum of 40 days. Obviously, this does not apply to an employee whose employment has been terminated for just cause, or who is entitled to pension whether it be the Canada pension or the like. I hope the committee will give consideration to reviewing these provisions with the thought of establishing a two-day benefit for every year of service without the five-year minimum requirement.

I make this suggestion because it seems to me that if it is valid to give a person 10 days' severance pay after five years' service, then it is unfair to cut any benefit for a person with only four years and 11 months' service. If we were to establish benefits on the basis of two days for every one year of service, then after one year a person would receive two days' pay; after four years he would receive eight days' pay, and so on. I think that is a reasonable suggestion to make. Although the minister may well have some valid reason why it cannot be implemented, I hope the committee will carefully review this suggestion. Excluded from the severance pay provisions are those in a managerial or professional category. Once more, I fail to see why the distinction has to be made between them and ordinary employees.

The bill also covers group termination of employment. This proposed new part provides that an employer contemplating the termination of employment of 50 or more workers within a four-week period must give the Minister of Labour notice in writing. A copy of the notice must be sent to the nearest Canada Manpower centre and to the trade unions concerned. This part will apply to all employees, including persons performing managerial functions and professional people, but will exclude those who are seasonally or irregularly employed. I suggest that the committee give careful consideration to this proposal, because those employees who are not covered by labour union contracts—in other words, those who have an individual relationship with their employer—are not really given specific notice under this legislation.

I should like to read the provision on page 11 of the bill. The section deals with the notice that must be given to the Minister of Labour and to the labour union. As far as the person not covered by labour union agreement is concerned, the bill provides:

> —and where any employee in such group is not represented by a trade union, a copy of such notice shall be given to him or posted forthwith by the employer in a conspicuous place—

I suggest that when the committee reviews the bill, it should give consideration to deleting the word "or" and substituting therefor the word "and", so that the bill would then provide that there is an obligation on the employer to give notice to the individual not covered by labour contract as well as to post that notice in a conspicuous place. I do not think that this proposal would be difficult to implement. Generally speaking, I am 100 per cent in favour of the provisions dealing with group termination of employment. I think they are long overdue. Under these provisions, an employer who wants to lay off between 50 and 100 workers within a four-week period would have to give eight weeks' notice; if he wanted to lay off between 100 and 300 workers he would have to

give 12 weeks' notice; and to lay off more than 300 workers would require 16 weeks' notice.

Clause 17 of the bill also makes provision for dismissal for garnishment. I think it is high time the government implemented this kind of legislation and I hope that other jurisdictions will follow suit. I think this legislation is an example for them and, as I said before, it is high time we ended discrimination against those who find themselves in financial difficulties, who have their pay cheques garnisheed and who prior to now were very often, if not in the vast majority of cases, fired because the employer did not like the inconvenience of having to go through the garnishee formalities.

• (8:40 p.m.)

I should like also to comment on the maternity leave provision of this bill. I listened with great interest to the hon. member for Vancouver-Kingsway (Mrs. MacInnis). I know the interest she has in the rights of women and I share much of her concern in this regard. The hon. member has made two or three suggestions that are worthy of careful consideration by the committee. I agree with her when she said I hope I quote her correctly that the maternity leave provision and the equal pay benefits are real advances for the women workers of Canada.

I do not believe, however, that any piece of legislation is perfect, and I am sure there is room for improvement in this bill. Under the proposal, an employee who has completed 12 months' employment with her employer would be entitled to maternity leave of up to 11 weeks before delivery of the child and six weeks after. I think the hon. member for Vancouver-Kingsway suggested that the 12 months ought to be reconsidered and I agree with that. I also agree that perhaps there should be a degree of flexibility as to whether a person should be entitled to the leave prior to the birth of the child or after. In my experience, being the father of five children, often the real crisis is after the birth of the child and not before. This varies a great deal, depending on individual conditions including the temperament of the woman involved. There is good reason for the committee to consider this suggestion very carefully.

I am heartily in favour of the equal pay provisions. As a matter of fact, at a convention in Ottawa about a year ago, in the Chateau Laurier, I remember putting forward a resolution which was passed, changing the approach from equal pay for equal work to equal pay for similar work. It is much easier to say that someone is performing a similar function than to say it is an equal function. "Equal" implies that it is equal in every detail. I believe that if it is similar work, that is enough.

I believe that the provision for equal pay for similar work with similar responsibilities is a considerable improvement in terms of terminology and I think it will have a practical effect in terms of the relationship between employers and employees. I hope the employers will look upon this as a meaningful change and will be much more careful in the way they apply salaries to men and women in order to ensure that they are in fact equal if the work is similar.

In closing, may I say I strongly support this bill to amend the Canada Labour (Standards) Code. It is a major step forward in the protection of workers in Canada under federal jurisdiction. Even more important, I think it is a great step forward by way of example for other jurisdictions to follow. I sincerely hope that the provinces will follow the lead we have given so that people all across Canada will be able to work under some kind of universal labour code which would be in their interest and the interest of the country as a whole.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, speaking of the lay-off of 500 employees by Canadian Vickers Limited, the Minister of Labour (Mr. Mackasey) said this to the House on May 26, 1969, as reported on page 9040 of *Hansard:*

> Last fall I undertook to bring this kind of legislation forward and... all parties supported me. I said on that occasion, however, that I could not visualize such legislation being before the House until late fall or early spring, and I see no reason which would enable me to advance that date.

At that time, the minister recognized that present legislation is inadequate and obsolete in many respects. Today, as we study Bill C-228 amending the Canada Labour (Standards) Code and setting up new labour standards, it would seem that the minister has at last found the spring he spoke of then, and I congratulate him.

Although the amendments introduced by Bill C-228 have long been overdue—a practice which, by the way, seems to suit this government—I am in agreement generally as to the principles involved.

None the less, as our group usually does when we find errors in a bill introduced by the government, we make whatever criticisms and suggestions that seem appropriate.

It has been a long time since the government first promised such a bill, and more specifically since the 1968 general election, and we would have expected this bill to be the result of thorough consideration. Unfortunately, in spite of this long wait, this bill is definitely inadequate. At the most, it is but the pretence of a bill dealing among other things with termination of employment and I will endeavour to limit my comments to this matter even though there are other less important issues discussed in this bill.

I will give an example in order to prove how superficial and confusing this bill is. As regards group or individual terminations of employment, clause 17 of the bill provides for the addition of several Parts, and I should like to quote subclause (4) of clause 341 of new Part IVC. It reads as follows:

> Except where otherwise prescribed by regulation, an employer shall, for the purposes of this Part, be deemed to have terminated the employment of an employee where he lays off this employee.

First of all, it will be noted, Mr. Speaker, that the beginning of this clause is drafted in this way:

> Except where otherwise prescribed by regulation...

In short, when reading this bill we find that it is somehow a statement of principle or of general philosophy about the Canada Labour Code and that there is, moreover, a series of rules which hon. members may not even discuss in this House and that may very often be inconsistent with the Labour Code itself.

It is quite clear that a one- or two-day lay-off, does not come under the clause I just quoted and, to support this, I wish to bring to the attention of my colleagues subclause (d) of new clause 34K. Here is what strikes me and what should be brought to the attention of the House: no limit is set; everything will be decided through regulations.

We can see in the Quebec Labour Code that a lay-off at the provincial level cannot be final before six months.

On the other hand, under Ontario employment standards, a lay-off is considered as final if it exceeds 13 weeks out of 20.

There are other standards in other provinces.

There is quite diversity and, for sure, we can say that there is no uniformity, comparison or co-operation from one province to the other in this field.

If the minimum lay-off period which commands a notice under the proposed legislation is one week only, it is too short. However, if the minimum period is six months as in Quebec it would be too long but I will never get the opportunity to say anything about it as a member of Parliament because this period is not to be established by this House through the passing of a bill but through regulations. This system which gives precedence to regulations by putting only general provisions in the standards is unacceptable. This is often the problem with this government.

The bill we are asked to pass is high-sounding but it gives rise to injustices and doubts of all kinds and invites all kinds of interpretations. Even after a three-year study of the question, the solution is no nearer than it was before. The government bring this measure forward in hoste, a method which is more or less effective and always uncertain. In that way, the government hopes to get some support from the Canadian people and the agreement, at least in principle, of the opposition. But the legislation is so awkwardly drafted that the opposition has no other alternative then to object to details.

Unfortunately, the electorate does not realize that and it is easy then for the government to accuse us of obstruction. The opposition is blamed for not having allowed the government to approve a social security program but as a matter of fact, it is its own fault.

The young offenders' legislation was withdrawn so as to correct political as well as drafting errors.

The government organization bill was a failure, for lack of proper policy and drafting.

Today we have a major problem, although a ridiculous one, which is being met by the bill before us now. That is why, instead of a thorough account of Canadian labour standards, all we find in Bill C-228 are general ideas, many superficial things and nothing precise. For instance,—and I should like to make a detailed study of

that to illustrate my point—this is what we find in the new section 34K:

> The Governor in Council may make regulations
>
> (b) requiring employers to comply with the provisions of this Part in respect of terminations of employment of groups of employees numbering less than fifty but greater than a number prescribed in the regulations;

Nobody knows under what conditions such a regulation could be used. There is nothing about it in the bill; the governor in council will decide that unilaterally, without consultation with Parliament. Are these estimates as those made in Ontario or are these different considerations? How many employees will be required for an employer to come under this regulation? Nobody knows.

• (8:50 p.m.)

The figure stated in subclause (b) of the new clause 34M is essential to the operation of the legislation. This is not at all a minor detail. In fact, it is important to know exactly the meaning of the word "figure". But nothing is said about it. Moreover, most labour standards in the other provinces are based on the forecast concept. Nevertheless, as regards the group termination of employment, new clause 34L provides for detrimental applications of the act and does not provide for forecast. Any notice of lay-off is probably detrimental to the employer or the employees but if we want a fair application of the law, no exemption should exist in the case of foreseeable termination of employment.

In the case of individual terminations of employment, I wonder why all employees, whatever their seniority undistinctly receive the same notice.

In Ontario, the notice period depends on how long the employee has been working for his employer. The notice depends on seniority. If he has been working, for instance, for two years, the notice should be one week. If he has been working from two to five years, the notice should be two weeks. If he has been working from five to ten years, the notice should be four weeks; if he has been working for over ten years, it should be eight weeks. It is considered that an employee with more experience is more important to the employer, and the employer because of the importance of this employee cannot fire him under such a short notice as those with less experience.

But, anyway, under the current administrative system, whether someone is experienced or not, whether he has education or not, he does not work and the bill now before us will not change his condition.

It is easier to predict the laying off of an employee with years of experience than it is in the case of a worker with little or no seniority. This procedure also seems fairer since an Ontario worker with 11 years of experience, for instance, among a group of 48 will get the same notice as if he were part of a group numbering from 50 to 200 people.

Now, under the scheme provided in Bill C-228, this man will get only two weeks' notice notwithstanding his years of service or anticipation of impending lay-offs,

whereas, belonging to a group of over 50 workers, he would get eight weeks' notice.

This is a fine example of how the government complicates its legislations and makes them incomprehensible for the ordinary worker and even for those attempting to become experts in that field.

Moreover, the Ontario Labour Code specifies that the legislation in no way alters any right favourable to the employee. But such a clause cannot be found in the standards put forward by the federal government today. Why should there be such inconsistencies between federal and provincial legislations?

Mr. Speaker, does this mean that in the case of a single lay-off, the individual laid off can claim only two weeks' notice? Is he not entitled to request a longer notice under a collective agreement or common law? If not, the standards proposed today will be prejudicial to the employee who would otherwise be entitled to a longer notice.

Furthermore, in order to make as complicated a study as the proposed legislation itself, I will say that common law provides for a notice on the part of the employee who wishes to leave his job, a notice which is not at all affected by the bill under consideration, and the required notice involves many factors, including the period of payments, the terms of employment and so forth.

At any rate, the period of notice must be reasonable—and I use here the expression of the bill itself—that is in many cases, the notice required from an employee who wishes to leave his job will be longer than that required from his employer, if the latter decides to lay him off. Such a situation is so abnormal that it must be dealt with first, but in this connection neither the minister nor his parliamentary secretary would give us any explanation.

At least, the requirements about the period covered by the notice should be the same for both sides. That is my first request to the minister. There is no reason to make them heavier for the employee than they are for the employer.

Mr. Speaker, it would be better to assure workers the period most favourable to them on the basis of seniority and, thus, on anticipation in order to recognize the rights usually granted to those who have more years of service with the employer.

We might also consider the problem of vacations. After a certain period of employment, a worker is entitled to vacations, but according to the bill now before us, the employer decides when to grant them. No provision of the present legislation prevents the employer from giving two weeks' notice to an individual, saying that the period coincides with his vacations. This does not seem to run counter to new clause 34N, because this would not decrease the rate of pay nor change any other condition of employment. This way, an employer might withhold from his employee two weeks' pay to which he would be otherwise entitled, without the employee being able to say anything against it. That is another inequity which workers cannot and should not put up with.

As for garnishment and its effect on employment, another part of the legislation deals with it. I agree entirely with the content of new clause 34U, although its introduction is late.

There are several other things remaining and which have not been provided for in the proposed legislation. I shall deal with them through questions which I shall put very humbly and politely to the minister, in the hope that he will give a reply before the end of this debate.

First of all, what would be the effect of a strike on the notice period? Secondly, can an employer give notice to his employees while a strike is in progress, without having to pay them compensation? Thirdly, would employees having been given the required notice be allowed to strike and, at the same time, be paid by the employer, pursuant to the same act? Further, will an illegal strike be dealt with in the same way as a legal one, with regard to the notice? What will be the effect of a lock-out?

Those are important questions to which, at present, no answer is given. I do not want to take up any more of the time of the House, but I do feel that answers to those questions should be given by the Minister of Labour or his parliamentary secretary (Mr. Perrault) so that no doubts should subsist with regard to Bill C-228.

May I say that this is one of those bills which are very complicated and very difficult to understand by the worker and by the employer, both of whom we wish to protect.

It seems to me—and this does not come under the exclusive jurisdiction of the Department of Labour—that those who are responsible for the drafting of bills should make an effort to simplify the text.

Being unaware of the minister's intentions, I should like to recommend to him—

• (9:00 p.m.)

[*English*]

Mr. Perrault: Mr. Speaker, may I ask a question of the hon. member? The hon. member has asked a number of important questions, but with all due respect I think the questions he directed to this side would be more appropriately asked at the committee stage. However, they were important questions and I will make certain that the minister is apprised of them before he makes his formal reply tomorrow.

However, Mr. Speaker, I wish to know whether the hon. member is seeking detailed replies from me this evening, because I think it would be impossible to give such detailed replies in anything but a committee setting. This is the question I ask: Does the hon. member expect replies this evening?

[*Translation*]

Mr. Fortin: Mr. Speaker, I appreciate the attention paid to my remarks by the parliamentary secretary. Of course, I do not expect an answer to these questions immediately, since I am hoping for a detailed and full answer about these basic problems, as the parliamentary secretary said himself. I hope at least that I shall obtain a full answer to these questions before the vote on

the motion for third reading of this bill in order to be aware of all the consequences.

In view of the complex drafting of this legislation, I should like to recommend to the minister that he redraft the bill so as to make it understandable to everybody, to employers and employees who have not all had the chance to become learned draftsmen such as those whom the government employs to draft legislation that, besides, they are the only ones to understand.

Considering the importance of this bill—and I should make the same remarks about the unemployment insurance bill—the wording should be clearer.

While speaking on this bill, my colleague from Kamouraska (Mr. Dionne) quoted some clauses that are completely incomprehensible: a cow would not recognize its own calf, which shows how complicated this bill is.

It seems to me that as Members of Parliament, our first duty is not only to pass intelligent laws, but also and foremost, if we really want to serve the interests of Canadians, to make these laws easily understood by all. They should be drafted in French and in English, instead of being translated word for word, because very often the French version is incomprehensible in regard to the English text.

At any rate, without any intention of blaming the Translation Bureau, which does excellent work, I feel that because of the complexity of the present bill, a point on which the Parliamentary Secretary will agree with me, the department should be strongly urged to bring out some kind of leaflet explaining each clause of the bill in simple words, illustrated by examples, in order to enable all those the bill is to help, both employers and employees, really to derive therefrom the benefits planned by the government.

Mr. Speaker, I should like to point out that throughout my remarks I have stressed the striking disparities between federal and provincial legislation in this particuliar field. Actually when we try to solve a problem we must refer to innumerable acts and compare provincial legislation to federal legislation, since employees are not treated the same way in all provinces.

Mr. Speaker, it seems that the Department of Labour should make a special effort in this direction and cooperate closely with the provincial governments in order to ensure more uniformity as far as Canadian labour standards are concerned, and a better treatment for the employees. It is not normal that the workers of one province be treated in a different way than those of an other province.

It seems that those are promising avenues which the minister may not open up at this time, but in respect of which he can work hard in order to give back to the workers, the employers and employees, not merely in words, but by means of legislation the security and uniformity of labour standards recognized from one province to another.

Nevertheless, this bill deals with termination of employment, lay-off, advance notice, and the like, but there remains that as long as our financial system is not entirely revamped, this type of bill dealing with lay-offs, leaves, etc., will not solve the basic problem.

Accordingly, this bill, just like so many others, is nothing but a poultice on a wooden leg.

Mr. Paul Langlois (Chicoutimi): Mr. Speaker, it is with great satisfaction that I participate in this debate on amendments to the Canadian Labour (Standards) Code. I understand that the Code only applies to workers directly under federal jurisdiction, but nevertheless we are now discussing an important component of the social policy of the government.

Of all the sections in the Code, there is one which appears capital to me, namely, the section on minimum wage.

The provisions of the amendment in this respect are a good reflection of Canadian tradition in the field of labour. Indeed, we all consider as unjust the existence of starvation wages which allow some industries to survive by generating poverty. I am proud to support this tradition whereby natural market forces can operate freely only above a vital minimum for workers. I believe in the principle of free enterprise, I believe in a minimum of government intervention in the market, but I also believe that government has a responsibility to ensure that employers in this country pay their employees with a minimum of decency.

As I was saying a few moments ago, the establishment of a minimum wage is a significant milestone in the social policy of any government. However, one of its special features is that the cost is not directly and totally absorbed by the government. In other words, in establishing the minimum wage, the government is asking the private sector to carry its part of the load to bring about a society where social justice prevails. The minimum wage affects this class of citizens who are not covered by other social measures, that is low wage-earners. As a rule, since these people are working, they are not entitled to welfare and unemployment insurance benefits and they cannot avail themselves of manpower retraining programs. Therefore, they cling to the minimum wage, and in my view, the government must not only make sure that its level is adequate, but that all employers under federal jurisdiction comply with it. I believe that the basic question lies in the establishment of a minimum wage and knowing who receives it, who foots the bill and what the effects of these two factors are.

• (9:10 p.m.)

As I was saying a while ago, the one who benefits from it is the worker who, in spite of his salary, still lives in poverty. We find this worker in industries where labour is the most important factor and, generally speaking, he is not trained. I should like to add that, according to my experience in the world of labour, an important part of these workers are women, and as all hon. members know, the ratio of women in the labour force

has considerably increased in the last few years. Moreover, in most cases, where both husband and wife work, the woman's salary allows the family to live barely beyond the poverty level. In that perspective, it therefore seems imperative to me that in setting a minimum wage, one should be realistic and take into account, not just the needs of the workers, but also his contribution to the economy of the land.

It must be noted that by setting the minimum wage at $1.75, we give a new incentive to the Canadian citizen to leave the ranks of the people on welfare and join those of the labour force.

I should like to touch on another subject now, namely, who pays the bill when the government increases the minimum wage? Obviously, it turns to the employer. Unfortunately, we hear too much criticism to the effect that the minimum wage will force some industries to close their plants. In this regard and without hesitation, I say that the employer who cannot guarantee his employees a vital minimum has no right to stay in business. On the other hand, on a more positive basis, the minimum wage may spur these industrialists into modernizing their equipment, into rationalizing their operations and, consequently, into putting themselves in a more favourable position to face national and international competition.

I recognize that too high a minimum wage could create unemployment. I believe the answer to this problem is to keep the minimum wage within bounds.

I have followed last night's debate with a great deal of interest. The ease with which some opposition members recommend a higher minimum wage has surprised me. Do they not know that the minimum wage that is being proposed is above that provided in any provincial legislation, and that barely a year ago, the minimum wage provided by the federal government was only $1.25? Are they not aware of the disturbing effect of too high a minimum wage on some of the poorer areas of this country?

Obviously it is easy—and some take pleasure in doing so—to recommend a higher minimum wage than that provided in the bill. But why stop at $2.00 per hour? Why not propose $2.10, $2.15 or even $2.25? If no consideration is given to the balance between social justice and economic vitality, why should hon. members show such moderation in their suggestions?

Therefore, I would like to point out that Canadian tradition has always been favourable to the collective bargaining system, and that is felt in all labour negotiations in Canada. In my opinion, the determination of wages must normally be the result of negotiations between employers and unions, according to the rules established by government. However, since unionization is not compulsory, the government should guarantee that workers not covered by collective agreements are protected by the law. In that regard, I approve its position in determining minimum standards in a variety of cases such as severance pay, maternity leave, notices of termination of employment and hours of work.

[*English*]

Mr. Deputy Speaker: Is the House ready for the question?

An hon. Member: I thought the member wanted the minister to reply.

Mr. Perrault: I think the understanding has been that tomorrow the minister will be granted an opportunity to make his final reply.

Some hon. Members: No.

Some hon. Members: Agreed.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, there was some discussion and I think there was an understanding that when we reached the point where no one else wished to speak, we would agree that debate be considered closed except for the minister's concluding speech. Of course, if anybody else wants to speak, let him do so now or forever hold his peace.

Mr. Peters: That can only happen if we call it ten o'clock.

Mr. Deputy Speaker: I take it that no hon. members wish to participate in the debate at this point. As I understand it, if there is agreement there will be an order that the debate be concluded at this stage of the bill subject to the right of the Minister of Labour (Mr. Mackasey) to make a closing speech.

Some hon. Members: Agreed.

Mr. Peters: Then we call it ten o'clock.

Mr. Boulanger: Mr. Speaker, we are agreed on that. We are even willing to call it ten o'clock, if you like.

An hon. Member: Ten o'clock.

Mr. Deputy Speaker: The hon. member for Crowfoot (Mr. Horner).

Mr. Horner: I would like to speak on the point of order, Mr. Speaker.

Mr. Perrault: It is not a point of order.

Mr. Horner: I understand that debate on Bill C-228 will continue when the minister returns; he will speak on second reading before the bill is referred to committee. I have reason to believe that members who are away today for reasons unknown to us may wish to speak at a later date. Will this be permitted, or is debate being held over for the sole purpose of allowing the minister to speak? I wonder if this point could be cleared up.

Mr. Deputy Speaker: The Parliamentary Secretary to the President of the Privy Council (Mr. Jerome).

Mr. Perrault: Mr. Speaker, on the point of order—

Mr. Deputy Speaker: Order, please. The Chair has recognized the Parliamentary Secretary to the President of the Privy Council.

Mr. Jerome: Mr. Speaker, there was a suggestion this afternoon from members opposite that a more appropriate way to handle this matter would be that rather than having the minister's statement made in his absence by someone else, which is what we suggested at first, the debate be concluded at this point and the minister would make his final speech tomorrow. It was agreed that if the minister were here and did speak, it would conclude the debate. If hon. members opposite do not want to go along with that suggestion, we can adjourn the debate to another day.

• (9:20 p.m.)

It has been suggested that if the minister were here and intervened tonight, that would conclude the debate. The simpler thing to do would be to conclude the debate by agreement and have the minister's intervention tomorrow.

Mr. Deputy Speaker: Order, please. I do not think hon. members would want to take a great deal of time discussing this point. The Chair's understanding is that there was unanimous agreement among the House leaders, but of course if there is not agreement the order cannot be made and the Chair will be guided by the House and will call another order of business.

Mr. Horner: Mr. Speaker, I wonder if I might speak again for a few moments in order to facilitate the passage of this legislation. The minister is not here this evening and, as the assistant government whip has pointed out, the minister would like to close the debate. I would like to hear him because he is a very imaginative and informative Minister of Labour. In light of this I believe passage of the legislation could best be facilitated by calling it ten o'clock and hearing the minister's remarks on another occasion.

Mr. Perrault: Mr. Speaker, I should like to speak briefly on the point of order advanced initially by the hon. member for Crowfoot (Mr. Horner). The minister is absent this evening because he is speaking to the Ontario school teachers. Because of the complex nature of the legislation before us—and a series of very complex questions have been asked—it was the minister's intention to study carefully the debate as recorded in *Hansard* this evening so that he could answer in detail the pertinent questions raised by hon. members on the other side of the House.

Accord was reached earlier today to the effect that we would deal with the second reading stage this evening and that tomorrow the minister would be given the privilege of replying to these questions. I would hope hon. members on both sides of the House would consider this to be a useful procedure.

Mr. Peters: Calling it ten o'clock is the easy way out.

Mr. Horner: Ten o'clock.

Mr. Deputy Speaker: The Chair must be guided by the wish of hon. members. As I understood it, there was agreement. Hon. members have spoken on the point of order. Is it agreed that the debate at this point be concluded save only for the reply of the Minister of Labour?

Some hon. Members: No.

Mr. Deputy Speaker: There is no such agreement.

Mr. Jerome: Mr. Speaker, I move the adjournment of the debate.

Mr. Deputy Speaker: It has been moved by the Parliamentary Secretary to the President of the Privy Council (Mr. Jerome), seconded by the hon. member for Burnaby-Richmond-Delta (Mr. Goode), that the debate be now adjourned. Is it agreed?

Some hon. Members: Agreed.

Mr. Baldwin: Mr. Speaker, in view of the circumstances we will agree to dispense with a motion in writing because of the very urgent nature of this motion.

* * *

FARM PRODUCTS MARKETING AGENCIES BILL

ESTABLISHMENT OF NATIONAL MARKETING COUNCIL AND AGENCIES

The House proceeded to the consideration of Bill C-176, to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, as reported (with amendments) from the Standing Committee on Agriculture.

Mr. Deputy Speaker: Order, please. On the report stage of Bill C-176, which is now before the House for consideration, the Chair understands there have been discussions on the procedure to be followed. As hon. members know, there is authority in the Chair to group or combine certain amendments. I believe there are some 30 amendments to be considered at this stage of the debate. Perhaps I might put to hon. members what I understand is the agreement, and if there should be a divergence of opinion I know hon. members will say so. I will read the notes I have, and if there is agreement it could be put in the form of an order.

Mr. Horner: Mr. Speaker, I realize the Chair has a difficult job in attempting to sort out the amendments, some of which have a great deal of similarity. I regret very much that the Chair has not consulted the movers of the amendments. The motivation behind the amendments can best be described by the movers, and therefore the grouping of the amendments can best be determined by the movers with the expertise of the Chair. Therefore, I suggest to the Chair that there may be disagreement in respect of the grouping of the amendments because the Chair has not seen fit to consult the movers.

I raise this point, Mr. Speaker, only as a suggestion. We are all grouping under a new set of rules with regard to report stage. I raise this point now to suggest to the Chair that on a future occasion a similar situation might arise and it might be advisable if the Chair, before

grouping amendments, consulted the movers of the amendments to agree on their grouping.

Mr. Deputy Speaker: I understand the hon. member's suggestion. The Chair is about to put forward suggestions with which it is hoped hon. members will agree in order to facilitate the debate. Of course, the hon. members in whose names the motions stand are primarily concerned and I agree that their wishes might well be considered, but hon. members realize the Chair has authority to make the grouping. However, the Chair would not want to force it on hon. members who are reluctant to accept it.

Motions Nos. 1, 2 and 3 inclusive relate to subclause (c) of clause 2 and it is suggested that these three motions be grouped for the purpose of debate but that the question on each be put separately.

Mr. Horner: Mr. Speaker, I realize your grouping is final in this instance, but it might be advisable to seek—

Mr. Deputy Speaker: Order, please. I thought I had indicated that these groupings, at least in the opinion of the Chair, at this point are not final. I would hope they would be and I believe there is general consent, but I do not want to impose the suggestions I have in mind on the hon. member for Crowfoot, although I hope he will accept them.

Mr. Horner: Mr. Speaker, I appreciate the interruption by the Chair because I have always worked on a very sparse margin of hope. I suggest that you consider grouping amendments Nos. 1, 5 and 22. In so doing we would still be taking three amendments together. I might briefly explain the reason. If one quickly reads amendment No. 1 he will see it suggests basically that no commodity group be included in the bill.

The argument put forward repeatedly by the minister and the chairman of the committee has been that this is permissive and enabling legislation. The context of amendments 1, 5 and 22 basically is that the bill would be made enabling or permissive legislation. The order paper, however, lists these amendments in the order of the clauses in the bill. In other words, clause 2 automatically comes before clause 18. Amendment No. 22 deals with clause 18. The intent of the amendment to clause 18, the intent of the amendment to clause 5 and the intent of the amendment to clause 2(c) would make the bill permissive and enabling legislation, as the proponents of the bill suggest. That is why I object.

• (9:30 p.m.)

Amendments Nos. 2 and 3, to take the other amendments which Your Honour suggests should be grouped, state in essence that all farm products should be in the bill except, as No. 2 suggests, cattle and calves and, as No. 3 suggests, except hogs and pork products. There is a basic difference. No. 1 suggests that nobody shall be included unless they request to be included and can prove to the minister and the Governor in Council that the majority of the producers want inclusion. In order to give that amendment some teeth, further amendments have to be moved to clause 2(g) and clause 18(1) and (2).

I would rather Your Honour followed the pattern of grouping amendments and calling on the movers, to better understand their intent on moving these amendments, rather than grouping them in the way suggested. The Chair might then better follow the intent of the amendments, the debate would become very much simpler and it would be clearer for Your Honour to rule on the amendments.

As I understand it, the purpose of grouping amendments is to create a situation in which Your Honour can rule a certain speech in order or out of order. The speeches at report stage must pertain to the amendment specified. I do not object to the authority of the Chair to group amendments, but I believe that in future it will be better to have consultation with the movers of amendments so that their intent in moving the amendment can be considered. The debate would then follow the intent of motions so grouped.

I suggest to hon. members, the government House leader and Your Honour—the Minister of Agriculture (Mr. Olson) and the chairman of the Standing Committee on Agriculture are not here—that owing to the efforts of the assistant government whip a few minutes ago and in light of the argument I have put forward with regard to grouping, perhaps we should now call it ten o'clock. A regrouping of amendments could take place tomorrow morning before the bill is debated. I would be in favour of that; I think it would facilitate early agreement on how these amendments should be dealt with.

Mr. Deputy Speaker: The Chair would like to read a suggestion into the record so that hon. members, particularly the hon. member for Crowfoot (Mr. Horner), might have an opportunity, in line with this suggestion, to give further consideration to the manner in which the motions should be grouped. This will be done with the assurance that it is no more than a suggestion. It will form a basis for consideration by hon. members overnight and tomorrow, particularly hon. members in whose names the motions stand, as to the way in which the Chair feels the groups might be made. Again, these are only suggestions.

Of the 30 motions to amend Bill C-176, it would appear that only motion No. 30 is defective from a procedural point of view in that the motion seems to amend the Export and Import Permits Act. An opportunity to submit procedural argument might be deferred until that motion is called for consideration.

Motions Nos. 1 to 3 inclusive relate to subclause (c) of clause 2. It is suggested that those three motions be grouped for the purpose of debate, but that the question on each be put separately. It is suggested that motions Nos. 4 and 5 be debated and disposed of separately. It is suggested that any deferred division then standing might be disposed of before proceeding to part I of the bill.

It is suggested that motions Nos. 6, 7 and 8 be grouped for the purpose of debate, but the question on each be put separately. It is suggested that motion No. 9 be considered and disposed of separately. Motions Nos. 10 and 11 could be grouped for debate and disposed of with one vote. Motion No. 12 might be considered and dis-

posed of separately. At this stage any outstanding deferred division might be taken.

Motions Nos. 13, 14, 15 and 16 all relate to clause 7 of the bill. It is suggested that those motions be grouped for the purpose of debate, but that each question be put separately. Deferred divisions on the foregoing, if any, might be taken at that time. Motions Nos. 17 and 18, which are on clause 8 of the bill, should be grouped for debate but voted upon separately. Motions Nos. 19 and 20 might be debated and voted upon separately. At this stage, any outstanding deferred division might be taken before proceeding to part II of the bill.

It is suggested that motions Nos. 21, 22 and 23 be debated and disposed of separately. It is suggested that motions Nos. 24, 25 and 26 be grouped for the purpose of debate, but the question on each be put separately. At this stage, it might be desirable to take any outstanding deferred divisions. It is suggested that motion No. 27 be debated and disposed of separately. It is also suggested that motions Nos. 28 and 29 be grouped for the purpose of debate, but the question be put on each separately.

As suggested earlier, motion No. 30 might not be acceptable in that it purports to amend the Export and Import Permits Act and it would appear to be irrelevant to Bill C-176. It might be desirable to hear representations when motion No. 30 is reached. After motion No. 30 is disposed of, any outstanding deferred division may be taken to complete the report stage.

If hon. members are in agreement, the Chair will call motion No. 1. We can then proceed in the time remaining this evening. Hon. members might give some thought to the memorandum I have just read into the record.

The hon. member for Crowfoot (Mr. Horner) moves amendment No. 1 as follows:

That Bill C-176, an act to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be amended by deleting from subclause (c) of clause 2 all the words after the word "agriculture" at line 14, page 1.

Is it the pleasure of the House to adopt the said motion?

Mr. G. W. Baldwin (Peace River): May I make one suggestion at this stage, now that Your Honour has read the reasons for the groupings? I had a chance to discuss and consider these groupings earlier; I did not have a chance to complete my consideration. The hon. member for Crowfoot (Mr. Horner) has indicated what might be a reasonable ground for urging the Chair to review the grouping including motion No. 1. There are two other motions in his name which have the same principle at stake as motion No. 1.

As Your Honour has called motion No. 1, in view of the argument made by the hon. member for Crowfoot would it be fair at this stage to say that the hon. member for Crowfoot will not be precluded from making his argument until there is an opportunity for the Chair to further consider the representations made by the hon. member? The hon. member for Crowfoot might be free to at least address his remarks to the grouping which he has urged upon the Chair as being reasonable. The Chair would then have an opportunity to read his remarks. Acknowledging that Your Honour has complete discretion to accept the remarks of the hon. member for Crowfoot, it may be that tomorrow Your Honour could make an adjustment on this one particular grouping.

[Mr. Deputy Speaker.]

• (9:40 p.m.)

I urge this now in order that my hon. friend from Crowfoot will not be restricted as he otherwise might be in the remarks he has to make dealing with the first motion.

Mr. Deputy Speaker: Unless hon. members have objections to raise, the Chair feels that the hon. member for Crowfoot should be allowed to make his observations at this point on the basis of the procedural argument he put forward earlier, and all hon. members will have a chance to read it by tomorrow.

Mr. J. H. Horner (Crowfoot): Thank you, Mr. Speaker. In rising in to debate what has now become a very famous bill, Bill C-176 I intend to speak on the concept of its basic principles. As I understand it, this is basically enabling legislation or, at the utmost, permissive legislation. Nobody will be involved unless he wishes to be. This is enabling legislation which will encompass no part of the agricultural industry unless it really wants to be encompassed.

It is necessary when considering this question to possess some concept of British justice or British tradition, a tradition inherited by our system in Canada, by virtue of which we are innocent until proven guilty. All kinds of latitude are given to an individual to govern himself or his property until the law says that certain things cannot be done. In essence, everything can be done unless the law forbids it. The bill before us has to do with agricultural products, but whether or not it will directly affect any particular agricultural product will depend solely on the producers of those products. To understand this concept perfectly, of course, I suppose one has to be a lawyer. I am not a lawyer but somehow or other, through seepage or through a process of osmosis in this House of Commons, these notions filter through.

Where did the concept of the bill before us originate, and why is this legislation being brought forward now? I think this can best be explained by the Prime Minister (Mr. Trudeau) himself by reference to a few curt remarks he made about the Liberal party in 1963. He said then that the Liberal party was a party madly in search of power and prepared to use power for the sake of power alone. I have the exact quotation here somewhere and will gladly read it when I find it. In any case, I should like to read from the Prime Minister's remarks with regard to agricultural policy and marketing arrangements made in a speech in Winnipeg on June 2, 1968. It just so happens it was prior to an election. He had this to say about national marketing boards:

More and more farmers are turning to marketing boards to provide them with a vehicle for the orderly marketing of their products. Existing boards established under provincial authority are finding it increasingly difficult to operate due to altered conditions brought on largely through changes in the techno-

logy of transportation and product handling. To meet this situation and to complement the action of provincial boards through the provision of a basis for orderly inter-provincial and export marketing the government proposes to introduce special legislation to provide for commodity marketing boards as the particular need for each commodity becomes evident.

I underline the words "as the particular need for each commodity becomes evident". One can clearly see that as early as June 2, 1968, the government was fully prepared to bring in legislation such as Bill C-176, or Bill C-197 as it was called in the first instance. The government was prepared to do so as a particular need in respect of each commodity became evident. My amendment clearly spells out that no commodity shall be encompassed by the bill until a need becomes evident to the producers.

Clause 17 clearly establishes that the majority of producers must request that they be included. In his speech of June 2, 1968, the Prime Minister left open the question who should determine when the need was evident. Of course, one can rest assured that a power-hungry government will do the determining. Nevertheless, we now have the concept accepted in the bill that the producers themselves shall determine whether or not they should be included.

Toward the end of his remarks on the occasion to which I have referred, the Prime Minister stated:

In order to meet the difficulties of divided jurisdiction in the area of the marketing of agricultural products, the government would undertake to raise for discussion with the provinces the possibility of providing over-all authority for the marketing of agricultural products as a federal responsibility.

The government did hold discussions with the provinces. But today there is no unanimity with regard to Bill C-176. Newfoundland said the bill was ultra vires; they did not believe the federal government had the authority to enforce it. The Saskatchewan Premier said the other day to his people: Don't worry about the bill. As long as I am Premier it will never come into force in this province. The Premier of Alberta, Mr. Strom, said just the other day: I want red meats excluded. A common definition of that term would be beef, pork and sheep products, basically lamb and mutton. There is no unanimity. The provinces have not agreed to this over-all concept.

A regrettable situation has developed across Canada inasmuch as the Minister of Agriculture (Mr. Olson) primised the nation that cattle would be excepted. It was found that his word was completely discredited since cattle were still covered by the bill. On September 9 a federal-provincial conference took place in Ottawa. The Premiers came out of that conference saying: From what we know of Bill C-197 at this time, we accept it and pass it. It may be the answer to the chicken and eggs war. But this agreement hinged on cattle being excluded from the bill.

• (9:50 p.m.)

Many Members of Parliament think the Minister of Agriculture has reneged on his undertaking to the cattlemen, that he has somehow misled the Canadian Cattlemen's Association. But he did not mislead the Canadian cattlemen alone; he misled the provincial Premiers. If one wants evidence of this one can find it at page 18 of committee proceedings No. 7 for December 15, when the Minister of Agriculture outlined what was in the communiqué issued by the federal-provincial conference held in Ottawa, at which the Premiers and the Prime Minister urged passage of the legislation provided provisions relating to cattle and calves were eliminated.

In Winnipeg the Prime Minister acknowledged the fact that in order to meet the difficulty of divided jurisdiction in the area of marketing agricultural produce, the government would undertake to discuss with the provinces the possibility of providing an over-all authority for agricultural products under federal jurisdiction. In other words, the federal government would take unto itself more power. Although there is a certain jealousy in Canadian society today among the provinces with regard to central government authority, on this occasion the provinces agreed to accept the Prime Minister's suggestion.

This acceptance was contingent upon the statement made on September 16 that cattle and calves would be excluded. This was the condition upon which the provinces agreed to early passage of the bill. However, today, six months after that statement was made on September 16, the provisions relating to cattle and calves are still in the bill. As a result, I say that the agreement reached between the provinces and the government is null and void. The only conclusion I can reach is that the Prime Minister and the Minister of Agriculture have no agreement at all with the provinces. Mr. Speaker, this situation vividly illustrates why the bill should not be proceeded with until it is ascertained whether agreement has been reached.

It may be argued that some provinces agree with the bill while others do not. It may also be argued that Members of Parliament are misrepresenting the facts. What are the facts regarding the agreement of the provinces and the jurisdictional question? This marketing legislation has been referred to the Supreme Court of Canada by the province of Manitoba. If the government of Manitoba were in favour of this bill and wanted early passage, why would it refer the matter to the Supreme Court of Canada? At least seven of the ten provinces have informed the Supreme Court that they would be prepared to submit evidence to the court and to brief counsel. Unfortunately, owing to pressure of business the Supreme Court cannot hear the case until May 31, which is about one month away.

What has been happening in the meantime? There has been an escalation of the war between the "countries"—the provinces. Members may laugh at that statement, but I remember one of the greatest exponents of this bill in the Liberal party saying that Canada is not one country but ten countries under one nation. To me that is a terrible admission to make. I still hold out a ray of hope that in essence Canada is one country, that we are not building fences around our provinces.

Mr. Mahoney: Who said that?

Mr. Horner: The hon. member for Fraser Valley East (Mr. Pringle) said that. I have before me an advertise-

ment that was put out by the department of information, and I am glad to see the minister of that department present. I went to a picture-show the other evening and heard him make a speech. This advertisement was sponsored by the Canadian Advertising Association and says that Canada stands together, that we understand together. I ask, are we really understanding one another when the whole country is torn asunder by Bill C-176? This advertisement states that had Canada not been faced with so vast a geography and an arc of people along its southern regions—

Mr. Stanbury: Mr. Speaker, would the hon. member permit a question? Would he be kind enough to identify what it is he is reading? And if it is valuable enough to quote from, perhaps he would table it.

Mr. Horner: Mr. Speaker, I would be glad to table it, but I may never get another copy. Let me continue to read it. It says that the problem might have been different—

Mr. Stanbury: Identify it.

Mr. Horner: All hon. members can see it. It is an advertisement put out by Information Canada.

Mr. Stanbury: No, it is not.

Mr. Horner: The minister shakes his head and says no. If he does not know about it, why is the stamp of his department on it and why did I receive it from his department. Let me just continue for a moment, Mr. Speaker, so I can finish this point.

Mr. Deputy Speaker: Order, please.

PROCEEDINGS ON ADJOURNMENT MOTION

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

UNEMPLOYMENT—PLANS FOR PROVISION OF SUMMER JOBS FOR STUDENTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on February 5 I asked the Prime Minister (Mr. Trudeau) whether in light of statements made by the Minister of Manpower and Immigration (Mr. Lang) and the Canadian Student Liberals about the deepening unemployment crisis, the government would inform the House if plans were being evolved to provide work for the large number of students who would be entering the job market from universities and high schools this summer. The Prime Minister replied that the government was working on plans for student employment this summer. Since asking that question last February we have had statements made by a battery of ministers—by the Secretary of State (Mr. Pelletier), who is co-ordinating the program; I think by the Minister of Labour (Mr. Mackasey) and by the Minister of Manpower and Immigration—about a whole series of government programs.

• (10:00 p.m.)

We have the Opportunities for Youth program which calls for student employment. We have travel programs, including the student exchange program, with foreign countries and we have the hostel programs for students who will travel across the country. Those programs accomplish too little and have come too late. Programs were announced less than one month before university students finish their courses and start looking for work. They were put forward in a manner which can only cause confusion and difficulty. Students and other voluntary organizations were invited to submit proposals for new and imaginative programs. The criteria under which programs are to be selected are, to say the least, unclear.

In the last two days I have received letters from responsible organizations in Winnipeg, some of which expressed knowledge of what the government would bring forward. They contained details of constructive programs suggested for employing young people. These people as yet have no knowledge whether their programs will be approved or accepted. From the tenor of the questions they have asked, I conclude they are doubtful that approval will be given by the government departments responsible in this area.

When the program was announced I suggested there would not be time to evaluate the many proposals which might come forward in order that the best could be accepted. The Secretary of State has said that only $57 million has been allocated for youth employment programs. In fact, if all the programs which have been suggested to his department were accepted the government would have to provide $150 million to finance them. As I said, the program was announced in such a way there will not be time to pick and choose the best suggestions, although the situation is even more serious than it was last year.

There were about 450,000 university and high school students looking for work last summer. I am speaking from memory but I think about 90 per cent of them obtained work. That sounds like a very impressive figure, but when one analyses the actual results he finds that only 50 per cent of the students looking for work obtained work for more than half the period they were available.

A university student who finishes his course at the end of April and does not go back until the latter part of September, unless he has pretty substantial financial support from home requires work for the bulk of the summer months. Last year only half of the students obtained work for more than 50 per cent of the time they were available. This is a disaster for young people who want to continue their studies. The government, the Department of Manpower, the universities, junior colleges and technical schools have been telling young people they ought to continue their studies as long as possible. In recent years the people who have been unemployed for the longest period of time, and most frequently, are unskilled, uneducated and untrained.

But it is precisely these young people who are finding most difficulty in getting work. It is precisely these young

people who are trying to continue their studies at universities, junior colleges or community colleges, who are finding that while they need employment during the summer there simply is no work because they have to compete with people who are looking for permanent employment. Last month there were almost three-quarters of a million unemployed—

Mr. Deputy Speaker: Order, please.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, I listened with great interest to the hon. member, as I always do, and could not agree with him, which is usual. I do not think his criticisms are warranted, because since the question was put on the order paper there has been a statement in the House by the minister. On Thursday, April 22, the Secretary of State (Mr. Pelletier) spoke of the great success of the Opportunities for Youth program and of the fact that it has been substantially oversubscribed. Our youth have obviously accepted the challenge and have responded with most imaginative programs.

I was pleased to learn that the Department of the Secretary of State had indicated today that an announcement would be made this Thursday of the programs which have been accepted. It is true that all cannot be accepted, but I have every confidence that this will prove to be most worthwhile and the most imaginative program of this nature ever developed by a Canadian government and responded to by students.

There are those who will be disappointed. There will be programs that do not meet the necessary criteria and there will be programs that do meet the criteria but, due to budgetary considerations, cannot be accepted. It will not all be perfection. This program is in the form of an experiment. But this is a government that is not afraid to innovate. It has thrown out an imaginative challenge, to which youth has responded, and those who have not been successful in this program will I am sure find their way without waiting for the total welfare state, which my hon. friend would like to see, where it is handed to them on a silver platter. I do not think youth wants this, nor do I think that it is good for our youth. I think that the program as announced on April 22 and the projects which have been accepted and will be announced on April 29 will be a credit to the government as well as to the youth of this country.

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Henry Latulippe (Compton): Mr. Speaker, on April 6, I asked the Minister of Energy, Mines and Resources (Mr. Greene) the following question:

> Would he tell the House if he intends to ask the government to amend the Bank of Canada Act and the Bank Act concerning chartered banks to establish government participation in the major decisions of the banks and the economic independence they advocate?

We could note then that the minister was a proponent of economic independence. He says that the Americans are absorbing us and that they are increasingly taking over our economy.

What is it that enables the Americans to gain control of our economy, our natural resources, our trade? Everything goes.

The Americans invest capital massively in Canadian securities. I urge the minister to do something, to instruct our great Canadian institution to intervene and issue credit on the same securities, because the reason why the Americans invest in Canada is that they have securities. They take Canadian securities to invest them. So, a national body can do exactly the same thing, and issue the same credit on the same securities.

I was then asking the minister whether he was willing to act along these lines in order that we may become masters in our own home, assume the control of our resources and undertake new development projects in connection with our natural resources. Briefly speaking, if the Americans can give securities or issue credit on new projects and new developments, why is it that the Bank of Canada would not be in a position to do likewise? Unless we take this action, we will fail to recover control over our economy. Day after day we will be losing some of this control and we will go on losing it until the Americans assume it completely. And I think that if we do not change our own policies regarding investment and control of our credit issues, we will soon become the exclusive property of the Americans. And we can count on the fingers of one hand the number of years that it will take to the Americans to swamp Canada with their investments.

I think that if the hon. minister is serious and wants to act effectively, it is high time that he urge the government to allocate the funds necessary for financing the development of our natural resources and our industries with the same guarantees.

I believe that it would be easy for Canadians to develop their country in an unheard of manner, because it is my conviction that all that is physically possible should be financially workable.

Presently, we are tackling pollution problems which we can only solve through investments. There will always be pollution due to lack of necessary funds. However, these will be provided by the Americans who will gain greater control over our natural resources, our waterways and finally our education by getting ownership of our school handbooks. Americans are getting into every kind of activity. It is not their fault but ours because we are too willing to be led, because we do not open our eyes before it is too late and because we do not take the necessary measures to settle this situation. This is a serious problem. If we really seek to remain Canadians, to develop our resources, to be masters in our own house, we shall need economic and political independence. By gaining economic independence, we shall necessarily accede to political independence. We have lost our economic independence and we do almost nothing to regain it. We make beautiful speeches but we take no action to regain our independence. Most of our activities are presently in the hands of Americans.

I could quote figures but I have no time and I think that the parliamentary secretary to the minister of Finance (Mr. Mahoney) will be in a position to give me a satisfactory answer.

With this answer, we shall learn whether this government is in a position to do something or whether he wishes us to stay under the rule of the United States or any other country although we could well regain the control of our economy while it is still time.

[*English*]

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, firstly and briefly I am advised that the Minister of Energy, Mines and Resources (Mr. Greene) has no immediate or present intention of asking the government to amend either the Bank Act or the Bank of Canada Act. Certainly a comprehensive review of the Bank Act will be a major task of the next Parliament in the regular decennial revision. I think that I should assure the hon. member that all Canadians, including those in the government, share the concern that he has expressed for the degree of foreign ownership of our industry and our resources.

Among other things we are watching critically the manner in which all our financial institutions, including our banks, are serving the national interest. The government has proposed and this Parliament has enacted during the past 2 1/2 years important legislation making trust, loan and finance companies much more effective institutions in Canada's over-all financial structure.

The hon. member will be aware that the Minister of National Revenue (Mr. Gray) has under review the whole matter of foreign ownership and that we are anticipating a full and comprehensive report on this subject. The hon. member will also be aware that the bill creating the Canada Development Corporation, which will be a new, imaginative and highly effective instrument in Canada's financial structure, is currently before the Standing Committee on Finance, Trade and Economic Affairs.

I might point out, since it was bankers' statements that gave a rise to this question originally, that the particular bankers who made their comments in New York, the banks they represent, none of the Canadian chartered banks nor the Canadian Bankers' Association have indicated any interest in appearing before the standing committee as it deals with the Canada Development Corporation bill.

UNEMPLOYMENT—RATE OF HARD-CORE UNEMPLOYMENT JOBS FOR STUDENTS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on March 18, I asked the Prime Minister (Mr. Trudeau) whether, in view of the fact that over the past 11 months the seasonally adjusted rate of unemployment has varied from a low of 5.6 per cent to a high of 8.2 per cent, we should take it as government policy to accept an unemployment rate of 5 1/2 per cent to 6 per cent in the future. The Prime Minister did not answer my question because the Chair ruled that he had already answered a similar question.

[Mr. Latulippe.]

The answer which the Prime Minister gave was in fact incorrect. The figures released by the Dominion Bureau of Statistics and the Department of Manpower and Immigration in April for the month of March show that in March, 1971, there were 650,000 people unemployed, an increase from the 542,000 unemployed in March, 1970, of more than 100,000.

If we look at the regional rates we become even more alarmed. The very high unemployment in Quebec increased from 206,000 in March, 1970, to 236,000 in March, 1971. In Ontario, the most prosperous province in Canada, it increased from 141,000 in March, 1970, to 192,000 in March, 1971. In British Columbia it increased from 59,000 in March, 1970, to 73,000 in March, 1971. It is true that the seasonally adjusted rate declined to 6.6 per cent, but that does not help the 650,000 people who are unemployed.

• (10:20 p.m.)

Apart from the large number of unemployed we have a particular problem in respect of the hard-core unemployed which is becoming more serious. The number of Canadians unemployed for a period of four months or longer in March rose to 308,000. This is an increase from 263,000 in February and 225,000 in January of this year. Even more significant, however, is the fact that the figure of 308,000 in March of this year is more than 100,000 higher than the 200,000 people who were unemployed for four months or longer in March of 1970. In the hard-core category, the 182,000 who had been unemployed for a period of between four and six months in March this year, and 126,000 who had been unemployed for six months or longer, have a right to begin to think their unemployment will be of a permanent nature.

Dr. W. R. Dymond, who is now a professor of economics at the University of Ottawa and in other years was a deputy minister, I believe, in the Department of Manpower and Immigration, has written articles recently in which he emphasizes the gravity of the unemployment situation and suggests very strongly that unemployment will not normalize as the economy revives, if it revives. He points out that between 1960 and 1970 Canada has experienced an 11 per cent increase in unemployment over all age groups, but that the age group 14 to 19 years has experienced a 43 per cent increase in unemployment and that the comparable increase for the 20 to 24 years group is 49 per cent. I believe these figures substantiate conclusively the question I asked the Prime Minister, namely, whether we could expect that for the next year an unemployment rate which would vary between 5.5 per cent and 6 per cent for the whole year on a seasonally adjusted basis was, on the whole, a very conservative estimate.

The economists to whom I have spoken are doubtful it will hit 5.5 per cent even in the best months of 1971 and in the first part of 1972. This is not surprising. We have a government which was so concerned about inflation that it adopted policies of restraint—the government is proud of this—which kept the cost of living increase last year to 1½ per cent, the lowest figure of any country in the

western industrialized world. The inevitable result of that policy of restraint which was urged upon the government by the governor of the Bank of Canada, the chairman of the Prices and Incomes Commission and other important government officials, was that we had the greatest rate of unemployment of any industrialized country in the western world. I have said before and continue to say this is exactly opposite to the just society about which the Prime Minister has spoken because those who are least able to carry the burden, namely, the unemployed pay for the mismanagement of the economy and for the inflation we have.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the hon. member's original question, as reported at page 4373 of *Hansard* for March 18, 1971, stripped of its preamble, was:

—can we take it that it is government policy to accept an unemployment rate of 5.5 per cent to 6 per cent for the future?

A few minutes earlier, as reported at page 4371 of *Hansard*, the then leader of the NDP, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas), after a preamble with respect to unemployment asked:

—if we can now assume that the government is prepared to settle down to a seasonally adjusted rate of 5½ per cent to 6 per cent per year?

It must have come as quite a shock to the hon. member to have had Your Honour disallow his question on the basis that it had been asked a few moments before. The hon. member is to be congratulated on his scrupulous loyalty to his leader, if not on his creativity. I am sure that his qualities are particularly valued by his party and leader early in the new reign.

The answer to the question is, of course, an unequivocal no. The government is not prepared to accept an unemployment rate of 5½ per cent to 6 per cent seasonally adjusted or otherwise, for the future. Government policies are designed for and are working effectively toward a much more acceptable level than that experienced during the past winter. Positive results are being achieved both nationally and regionally. I would refer the hon. member to the testimony given today in the Standing Committee on Finance, Trade and Economic Affairs by the chairman of the Economic Council of Canada with respect to the excellent performance of Canada's economy relative to that of other free market economies, including that of the United States, and I would in particular refer him to employment trends.

Motion agreed to and the House adjourned at 10.28 p.m.

HOUSE OF COMMONS

Wednesday, April 28, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

EXTERNAL AFFAIRS

EAST PAKISTAN CONFLICT—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, under Standing Order 43 I move, seconded by the hon. member for Saint John-Lancaster (Mr. Bell):

That this House express its anxiety concerning events in East Pakistan and urge that the government of Canada take such steps as are feasible toward assisting the reduction of human suffering and the forestalling of widening hostilities;

That the government take the lead in bringing about the shipment of medical supplies for the relief of the suffering of the East Pakistan people and that the House indicate its willingness to depute some of its members to act as observers in the area of conflict and suffering if such a role should be deemed helpful in this crucial issue.

Some hon. Members: Hear, hear!

Mr. Speaker: The House has heard the motion proposed by the hon. member for Hillsborough. Under the terms of Standing Order 43 unanimous consent is required.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: There is not unanimous consent. Therefore the hon. member's motion cannot be put to the House.

* * *

• (2:10 p.m.)

PRIME MINISTER'S RESIDENCE ACT

AMENDMENTS TO CHANGE NAME AND PROVIDE RESIDENCES FOR LEADER OF THE OPPOSITION AND SPEAKER OF THE HOUSE OF COMMONS

Hon. Allan J. MacEachen (President of the Privy Council) moved for leave to introduce Bill C-241, to amend the Prime Minister's Residence Act.

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

* * *

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.

Hon. Allan J. MacEachen (President of the Privy Council) moved for leave to introduce Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act, and an act to make provision for the retirement of members of the Senate.

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

* * *

JUDGES ACT AND FINANCIAL ADMINISTRATION ACT

AMENDMENTS RESPECTING JUDGES' SALARIES AND ANNUITIES, AUDITOR GENERAL'S SALARY

Hon. John N. Turner (Minister of Justice) moved for leave to introduce Bill C-243, to amend the Judges Act and the Financial Administration Act.

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

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk.)

ESTIMATED LOST PRODUCTION AS RESULT OF UNEMPLOYMENT, 1971

Question No. 638—**Mr. Orlikow:**

What estimates has the government received for 1971 for the value of lost production as a result of unemployment as compared with what production would have been in 1971 if there were full employment, namely, only 4% unemployed in the coming year?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Attention is directed to *Hansard*, page 3326, dated February 12, 1971.

ESTIMATED UNEMPLOYMENT, 1971

Question No. 639—**Mr. Orlikow:**

What estimates has the government received from departments or agencies as to anticipated unemployment month by month for the year 1971—either actual or seasonally adjusted rates?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): See the reply made this day to Question No. 638.

AIR CANADA—CHECK OF BILINGUALISM

Question No. 831—**Mr. MacRae:**

1. Was an employee of the Language Commissioner or any department employed to check bilingualism among Air Canada

employees in Ottawa on December 14, 1970 and, if so, on whose direct authority was this done?

2. Were tape recorders used without the knowledge of Air Canada employees being checked and, if so, were such tape recorders in plain view at all times of those being investigated?

3. What disciplinary action has been taken against those involved?

4. Have steps been taken to see that there is no recurrence of this either in Air Canada or in any other level of government?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The Language Commissioner reports directly to Parliament and not through a minister. Questions can be made directly to him privately.

REMOVAL OF PAGES FROM "FOREIGN TRADE" SUPPLEMENT

Question No. 838—**Mr. Crouse:**

1. With respect to the answer given to Question Number 512 at page 2806 in *Hansard*, January 27, 1971, regarding the removal of pages one and two from *"Foreign Trade"*, what was the content of the two pages?

2. What were the statements that might have been misleading?

3. Will the government table the two pages in question?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): 1. These pages contained (1) the text of the joint communiqué issued by the Government of Canada and the People's Republic of China recording agreement on mutual recognition of the establishment of diplomatic relations and (2) a resume outlining the purpose of the special issue.

2. Release of the joint communiqué was simultaneous in Ottawa and Peking and page 1 of "Foreign Trade" indicated the release date as being October 13, 1970. The release date in Peking was October 14 because of the time differential due to the international dateline. Also "Foreign Trade" reported that Canada and China released the communiqué in Stockholm where the negotiations had taken place whereas, in fact, separate announcements had been made in their own capitals.

3. Yes.

CONSUMER PRICE INDEX

Question No. 857—**Mr. Robinson:**

1. What variables are considered in calculating the Consumer Price Index?

2. Is any regional allowance made in reaching the calculations?

3. Is the index considered valid for all of Canada and, if not, for what reason?

4. Are only certain urban centres considered and is any consideration being given to including additional centres?

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): The Dominion Bureau of Statistics reports that: 1. The Consumer Price Index for Canada is designed to measure the effect of changes in consumer prices on the cost of purchasing an unchanging or equivalent basket of consumer goods and services. The only variable which is considered to cause movement in the index is price change. The basket of consumer goods and services in the index is designed to reflect the spending pattern of a broad middle-income group of urban families of two to six persons.

[Mr. MacRae.]

2. In the Consumer Price Index for Canada the prices used are collected in 33 cities across Canada. Also, the index basket itself is a composite of spending patterns in Canada for urban middle-income families. Thus, regional movements of prices are incorporated in the Canada index in proportion to their importance in the basket.

3. The Canada index is an average or composite for the population group specified in 1. above. It is considered valid for that group as a whole and because of the homogeneity of spending patterns within the group, the index is considered reasonably valid for any significant components of it.

4. As indicated in 2. above, prices from 33 cities are now included in the Canada index. Periodic reviews are carried out to up-date the basket and price samples for the index and such a review is underway currently. Separate Consumer Price Indexes for 10 regional cities in Canada are prepared, but these indexes measure percentage change in consumer prices from one period to the next within each city and cannot be used to compare levels of prices between cities.

CBC—COVERAGE OF PRIME MINISTER'S ASIAN TOUR AND COMMONWEALTH CONFERENCE

Question No. 875—**Mr. Marshall:**

1. How many personnel were sent by the Canadian Broadcasting Corporation to cover the Prime Minister's Asian tour?

2. How many CBC personnel covered the Commonwealth Heads of Government Conference?

3. What was the total cost of the coverage of the Prime Minister's tour and at the Commonwealth Conference to CBC and, what was the total amount of coverage provided on the French and English networks, radio and television?

4. How many personnel from CTV were included in the Prime Minister's press group on the Asian tour and at the Commonwealth Conference?

5. What was the total amount of programming provided by CTV network on the tour and at Conference?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Canadian Broadcasting Corporation and the Prime Minister's and Privy Council Offices as follows: 1. and 2. A total of five for English language radio and television services; seven for French language radio and television services, two of whom were sent from Hong Kong. The same teams covered the Commonwealth Conference, the English language group being augmented for coverage of this event by two additional personnel, one of whom was sent from Hong Kong.

3. Combined English and French language radio and television coverage totalled approximately eight hours. It has not been customary to require the CBC to disclose individual program costs. However in the case of the above events, numerous reports and commentaries of varying duration were aired over a three-week period on several programs on the English and French CBC networks and the shortwave International Services. A reasonable estimate of the over-all cost would be in the range of $45,000.

4. Two.

5. Information regarding CTV programming is not available.

NEWFOUNDLAND—ASSISTANCE UNDER FISHERIES IMPROVEMENT LOANS ACT, 1970

Question No. 1,011—**Mr. Carter:**

1. How many applications for loans under the Fisheries Improvement Loans Act were received from Newfoundland in 1970?

2. How many loans were approved and the total amount of money involved?

Hon. E. J. Benson (Minister of Finance): 1. Loans under this program are made directly by the chartered banks and other designated lenders to whom applications are addressed. No data is maintained centrally as to the number of applications received by a lender which do not result in a loan being advanced.

2. During the first nine months of the 1970-71 program year (April 1—December 31) 14 loans were advanced totalling $39,757. The figures for Newfoundland for the year ending March 31, 1971 will be published in the Annual Report for the Fisheries Improvement Loans Act later this year.

PEI—ASSISTANCE UNDER FISHERIES IMPROVEMENT LOANS ACT, 1970

Question No. 1,084—**Mr. McQuaid:**

1. How many applications for loans under the Fisheries Improvement Loans Act were received from the Province of Prince Edward Island?

2. Of the applications received during 1970, how many were (a) approved (b) rejected?

3. What was the total amount paid during 1970, by way of loans under the Fisheries Improvement Loans Act?

Hon. E. J. Benson (Minister of Finance): 1, 2 and 3. Loans under this program are made directly by the chartered banks and other designated lenders to whom applications are addressed. No data is maintained centrally as to the number of applications received by a lender which do not result in a loan being advanced. During the first nine months of the 1970-71 program year (April 1—December 31) 65 loans were advanced totalling $122,466. The figures for Prince Edward Island for the year ending March 31, 1971 will be published in the Annual Report for the Fisheries Improvement Loans Act later this year.

VANCOUVER INTERNATIONAL AIRPORT—CONSTRUCTION OF PROPOSED NEW EAST-WEST RUNWAY

Question No. 1,158—**Mr. Goode:**

1. Will tenders be called for construction of the proposed new East-West runway at Vancouver International Airport and, if so (a) on what date (b) when is construction on the runway scheduled to begin (c) when is the runway scheduled to come into use?

2. Are any criteria applicable to the distance between operating runways and land occupied for residential purposes at Vancouver International Airport and, if so, what are they?

3. Does the Department of Transport, at this time, own all the land within the boundaries prescribed in such criteria?

4. Does the Department of Transport, at this time, own all the land within the boundaries projected for the new East-West runway in accordance with the criteria?

5. Does the Department of Transport plan to construct a large cargo terminal north of the proposed East-West runway at Vancouver Airport and, if so, when is construction scheduled to start?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): 1. Final decision on construction of a new East-West runway at Vancouver International Airport has not been made.

2. Yes, as described in the official zoning regulations for Vancouver International Airport. These are height restrictions, which indirectly dictate the distance required between runway threshholds and any structures, including those for residential purposes.

3. Yes.

4. Yes.

5. No, but land is being reserved in the area for that purpose.

OTTAWA INTERNATIONAL AIRPORT—COFFEE SHOP

Question No. 1,165—**Mr. Peddle:**

1. What is the name of the company which operates the coffee shop at the Ottawa International Airport?

2. What amount does the holder pay yearly to the government?

3. When does the present agreement expire?

4. What opening hours of the coffee shop are called for by the present contract?

Mr. Gerard Duquet (Parliamentary Secretary to Minister of Transport): 1. Golden Totem Restaurants Limited.

2. The coffee shop is operated as part of a combined coffee shop, dining room and cocktail lounge concession. The rental formula is as follows: (a) For the coffee shop and dining room: 10 per cent of the gross revenue per annum (excluding liquor sales) up to and including $200,000; and 12 per cent of the gross revenue per annum (excluding liquor sales) over $200,000 and up to and including $300,000; and 14 per cent of the gross revenue per annum (excluding liquor sales) over $300,000. The amount paid to the ministry for the coffee shop and dining room for the fiscal year ended March 31, 1970 was $54,761.00. (b) For the cocktail lounge the rental is subject to annual review. For the calendar year 1970 the rent was $15,000.

3. July 31, 1975.

4. The contract provides for operation of the coffee shop starting daily at 7:00 a.m. but the service may be commenced earlier at the option of the concessionaire.

PEI—TRAFFIC STATISTICS ON FERRY *JOHN HAMILTON GRAY*

Question No. 1,179—**Mr. Blouin:**

During the year 1970, what was the traffic in (a) number of passengers (b) number of cars and trucks (c) number of railway cars on the ferry *John Hamilton Gray* between Cape Tormentine, N.B. and Borden, P.E.I.?

Mr. Gerard Duquet (Parliamentary Secretary to Minister of Transport): (a) Passenger statistics are not main-

tained by vessel. (b) Number of cars and trucks carried during the year 1970 totalled 159,671. (c) Number of railway cars carried during the year 1970 totalled 28,054.

CUSO—SOUTHERN AFRICA LIBERATION MOVEMENTS

Question No. 1,192—**Mr. Robinson:**

Is the government aware of a resolution passed by CUSO at its annual meeting "that CUSO take the position that the Canadian Government recognize the legitimacy of Southern Africa Liberation Movements" and, if so (a) does the government endorse such policy (b) does the government intend to provide further funds to CUSO?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): The government is aware of the resolution in question. It should be noted that such resolutions are an expression of opinion on the part of the CUSO membership and have no binding effect on the organization. (a) While respecting the justice of the cause espoused by the Southern Africa liberation movements the Government does not believe that armed conflict will bring beneficial results to either the black or white communities of Southern Africa. (b) Yes.

CUSO—FEDERAL ASSISTANCE

Question No. 1,207—**Mr. Robinson:**

1. Has financial support been given to CUSO by the government and, if so, how much each year to date?

2. What is the criteria for CUSO to be entitled to apply and receive federal funds?

3. What departments of government sponsor CUSO at the present time?

4. How many members of CUSO are former members of CYC?

5. How many members of CYC at any time were former members of CUSO?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Canadian International Development Agency and the Company of Young Canadians as follows: 1. Financial support has been provided to CUSO by the Canadian Government as follows: Fiscal Year 62/63, $3,294; 65/66, $458,750; 66/67, $742,776; 67/68, $1,678,250; 68/69, $2,374,360; 69/70, $3,260,000; 70/71, $4,250,000.

2. CUSO is a qualified Canadian non-governmental organization under the criteria for eligibility for financial support of non-government organizations in the field of development assistance. Financial support by CIDA is provided in the form of yearly contracts with CUSO to send Canadians to work in developing countries in accordance with the objects of CUSO as contained in the Supplementary Letters Patent granted to this organization.

3. Financial support is provided to CUSO by the Canadian International Development Agency through the non-governmental organizations program.

4. As CUSO is primarily interested in the ability of its members to carry out the job in hand the personnel records maintained are not oriented to automatically retrieve this type of information. As far as can be readily ascertained by CUSO two people who are now members of that organization were previously associated with CYC.

5. To the best of the CYC's knowledge, two members have been former members of CUSO.

POSSIBILITY OF LEGISLATION TO CURB ILLEGAL STRIKE ACTIVITIES

Question No. 1,233—**Mr. Southam:**

Is it the intention of the government to introduce legislation to curb wildcat labour strikes and other illegal activities similar to that recently passed in Great Britain?

Hon. Bryce Mackasey (Minister of Labour): The intentions of the Government with respect to industrial relations legislation will be made known in due course. It should be noted, however, that existing legislation defines the circumstances in which strikes or lockouts may take place legally.

DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,246—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of Industry, Trade and Commerce (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities.

Mr. Bruce Howard (Parliamentary Secretary to Minister of Industry, Trade and Commerce): (a), (b), (c) and (d) No income is derived from computer services.

POST OFFICE—DEFICIT ON VARIOUS CLASSES OF MAIL

Question No. 1,254—**Mr. Mather:**

1. Did the Post Office Department lose money on first class mail (a) in 1969-1970 (b) 1970-1971 and, if so, what was the amount?

2. What was the amount lost by the Post Office for the same periods on second class mail?

3. During the same periods, did the Post Office lose or profit by third class mail?

Hon. Jean-Pierre Côté (Minister without Portfolio): The Post Office Department maintains an accounting system whereby total costs are apportioned to classes of mail giving consideration to labour time factors, weight and physical characters of mail, space requirements, etc. Using this method, deficits were attributed to the operations of various classes of mail as indicated in the published Estimates for the fiscal year ending March 31, 1972, as follows: 1. Yes. (a) 1969-70 (actual), $360,000; (b) 1970-71 (forecast), $35,075,000.

2. 1969-70 (actual), $28,209,000; 1970-71 (forecast), $33,946,000.

3. 1969-70 (actual), $20,120,000; 1970-71 (forecast), $33,847,000. As final figures for the fiscal year 1970-71 will not be available for some time, the above forecast is offered as the most current information available.

VALCARTIER MILITARY BASE—ERECTION OF HOTEL

Question No. 1,256—**Mr. Godin:**

Does the government intend to erect a hotel at the Valcartier military base, which hotel would be available to all Canadians visiting parents or military friends?

[*Translation*]

Hon. Donald S. Macdonald (Minister of National Defence): No, at the time the current base development plan was being reviewed by CFB Valcartier, members of the local Non-Public Fund organization drew up a list of suggested personnel support program proposals, one of which was an NPF operated hostel. This proposal was never accepted as part of either the public or non-public Valcartier program.

[*English*]

CANADIAN ARMED FORCES—MARRIED QUARTERS

Question No. 1,262—**Mr. Forrestall:**

1. How many married quarters, by type and location, does the Canadian Armed Forces have (a) on what dates were they built (b) what was the total and per unit cost?

2. Concerning recuperation of cost, when will each be paid for and how are they written off at each site?

3. What was the average, yearly rent in the past 10 years, 5 years, 2 years at each site and for all PMQs on CF bases?

4. (a) How does the government deal with the maintenance and renovation costs of these units (b) is there anything in the nature of a policy that establishes guidelines re: the time and amount of renovation and/or maintenance that may be carried out and, if so (i) what is that policy (ii) specifically, is there any proportion of these costs born by the residents and, if so, what proportion?

Hon. Donald S. Macdonald (Minister of National Defence): 1. The Canadian Forces have approximately 24,000 married quarters of various types throughout Canada, most of which were built during the period 1950-1960. In addition, 4,400 are leased or rented in Canada, and 3,880 in Europe. Insofar as (a), and (b) are concerned the requested information is not readily available in Headquarters' records and the necessary expert staff is not available to undertake the large amount of work which would be required to gather the necessary data.

2. All original construction costs were funded from departmental appropriations during the year or years of construction and there is no procedure or policy for the recovery of these costs.

3. Up to 1968 the cost of married quarters to occupants was related to an allowance in accordance with occupant's rank, regardless of the type and size of quarter occupied. As a result it is not possible to determine the average rental allowance paid for married quarters prior to 1968. Since 1968 the rental charges for all federal married quarters have been based on a CMHC appraised rental system. See Hansard dated 6 April, 1970, pages 5492-3.

4. (a) The maintenance and renovation costs for married quarters are budgetted annually by each base and included in departmental appropriations; (b) The general policy and guidelines for the maintenance and renovation of married quarters is published in Canadian Forces Construction Engineering Manual (CFP 120) which is held by all Base Commanders and Engineer Officers; (i) to keep married quarters in good repair subject, of course, to the availability of funds; (ii) no.

DEPARTMENT OF EXTERNAL AFFAIRS—INCOME DERIVED FROM COMPUTER SERVICES

Question No. 1,269—**Mr. Robinson:**

What income, if any, is derived from the computer services provided by the Department of External Affairs (a) from other departments (b) from sale or services to industry (c) to provincial government departments (d) to municipalities?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): In so far as the Department of External Affairs is concerned the reply is none.

NAVAL DOCKYARDS—RELEASE OF CIVILIAN PERSONNEL

Question No. 1,273—**Mr. Anderson:**

1. By month, for the period October 1, 1970 to March 31, 1971, how many (a) employees of (b) apprentices in the Ship-Repair Occupational Groups were released or have quit at the Naval Dockyards (i) in Halifax (ii) in Esquimalt?

2. In the same period, how many employees in the Ship-Repair Occupational Groups at the Naval Dockyards died (a) in Halifax (b) in Esquimalt?

Hon. Donald S. Macdonald (Minister of National Defence):

		(i) Halifax	(ii) Esquimalt
1. (a) Employees			
	Month		
	Oct. 70	8	24
	Nov.	6	74
	Dec.	4	68
	Jan. 71	17	39
	Feb.	24	42
	Mar.	2	65
	Total	61	312
(b) Apprentices			
	Dec. 70	1	Nil
2. Employees		(a) 1	(b) 7

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QUESTIONS PASSED AS ORDERS FOR RETURNS

FINANCIAL ASSISTANCE TO ONTARIO UNIVERSITIES

Question No. 316—**Mr. Foster:**

What amount of financial assistance has been made available by the federal government to each accredited university in the Province of Ontario for each of the past five years for (a) operating expenses (b) capital expenses?

Return tabled.

MONEY ALLOCATED TO CANADIAN UNIVERSITY STUDENTS BY FEDERAL GOVERNMENT

Question No. 337—**Mr. Fortin:**

1. From December, 1961 to October, 1970 how much money has the federal government allocated to university students in (a) Canada (b) the Province of Quebec?

2. By year, what was the amount received in the case of each university in 1965 to 1970 inclusive?

3. What are the specific purposes, if any, of such scholarships or grants?

Return tabled.

IMPORTATION OF SUGAR INTO CANADA

Question No. 455—**Mr. Dinsdale:**

1. (a) What countries are the sources of sugar imported into Canada (b) what companies in Canada do the importing, and in what quantities each year since 1960?

2. Were Canadian Sugar Refineries convicted under the Combines Act in 1960 for operating a cartel to suppress importations of Cuban refined sugar to Canada in favour of an agreed upon allocation of raw sugar and, if so, what were the details of the judgment at that time?

3. Has the Minister of Consumer and Corporate Affairs received information that Canadian Sugar Refineries are operating a cartel to maintain high domestic prices on sugar and, if so, what action has been taken?

Return tabled.

DOMINION BUREAU OF STATISTICS—HIRING OF OUTSIDE CONSULTANTS AND TOTAL ANNUAL BUDGET

Question No. 693—**Mr. Skoberg:**

1. For each year 1965-66 to 1969-70, how many consultants outside the Public Service of Canada were retained by the Dominion Bureau of Statistics?

2. What did these services cost?

3. What are (a) the names of the firms or individuals retained (b) the reasons in each instance for retaining the service (c) the costs in each instance where a firm was involved (d) the fee and expenses in each instance where individuals were involved?

4. For each year 1959-60 to 1969-70, what was (a) the total annual budget of the Dominion Bureau of Statistics (b) the total number of continuing (full-time) employees and the number of term employees (c) the total annual expenditure for salaries and wages (d) the total amount expended for professional and special service and the nature of these services?

Return tabled.

SALE OF MAILING LISTS FOR COMMERCIAL USE

Question No. 874—**Mr. Goode:**

Does any government department, agency or Crown corporation sell mailing lists for commercial use and, if so, by department, agency, or Crown corporation involved (a) when did this practice begin (b) to whom were such sales made during the past fiscal year (c) what were the proceeds from each such sale (d) what restrictions are placed on the use of lists sold?

Return tabled.

Mr. Orlikow: Mr. Speaker, I hesitate to be as difficult as the hon. member from a Nova Scotia constituency was concerning his question as to the use of a certain Jetstar aircraft, but question No. 79 has been on the order paper since October 8. It was also on the order paper in the previous session. It has to do with the use by the Prime Minister's office of outside consultants. I do not think it should be difficult to answer, and I wonder if I could get some indication of when the answer might be forthcoming?

[Mr. Fortin.]

Mr. Jerome: Yes, Mr. Speaker. There have been a number of questions on the order paper involving this same general subject, the use of consultants' studies, with which there was some difficulty in making responses. We have now solved that problem and in the last few days have in fact tabled a number of responses in that general area, although not specifically to the question of the hon. member. I am very optimistic that we will be able to table an answer to his specific question very soon.

Mr. Comeau (South Western Nova): Mr. Speaker, last December a $160 million loan fund was established to help the provinces in their programs. On February 3 I asked a question. I am sure the government has the answer. I cannot see why the government has not answered because this program has been in effect.

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

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, would you be so kind as to call Notices of Motions Nos. 156 and 212.

CORRESPONDENCE BY MINISTER RESPONSIBLE FOR HOUSING TO BANKS, LOAN COMPANIES AND INSURANCE COMPANIES

Motion No. 156—**Mr. Gilbert:**

That an Order of the House do issue for copies of all memoranda, correspondence, etc. by the Minister without Portfolio responsible for Housing and presented to chartered banks, loan companies, and insurance companies at meetings held at the end of September, 1970.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I move this motion on the hon. member's behalf.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the Minister without Portfolio responsible for housing held a series of meetings with representatives of the approved lenders at the end of September, 1970. The presentations at these meetings were oral. Since memoranda or correspondence were not presented to the representatives of the approved lenders by the Minister without Portfolio responsible for housing at the September meetings, I would request the hon. member to withdraw his motion.

Mr. Knowles (Winnipeg North Centre): I guess I have to accept that, unless there were any tapes. Maybe they could be produced.

Mr. Speaker: The motion is withdrawn.

Order discharged and motion withdrawn.

CORRESPONDENCE BETWEEN JULES DEMICHER AND GOVERNMENT CONCERNING EMPLOYMENT AND DISCHARGE

Motion No. 212—**Mr. Nowlan:**

That an Order of the House do issue for copies of all correspondence, telegrams, and other documents exchanged between Jules Demicher and the government regarding his employment in, and his subsequent discharge from the federal Public Service.

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, the government wishes to advise the hon. member that as this matter is now the subject of an inquiry it would be inappropriate to table any such documents at this time. I therefore request the hon. member to withdraw his motion.

Mr. Nowlan: Agreed.

Mr. Speaker: The motion is withdrawn.

Order discharged and motion withdrawn.

Mr. Jerome: I ask that the remaining Notices of Motions be allowed to stand.

Mr. Speaker: Is it agreed?

Some hon. Members: Agreed.

ORAL QUESTION PERIOD

FINANCE

SHARED-COST PROGRAMS—OPTING OUT—EFFECT OF ITEM IN SUPPLEMENTARY ESTIMATES (C)

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I wish to address my question to the Prime Minister. It is based on a statement attributed to the right hon. member that in no way would Ontario be able to opt out of federal-provincial shared-cost programs and receive fiscal equivalents like the province of Quebec. Will the Prime Minister make a statement to reconcile this firm stand under the Established Programs (Interim Arrangements) Act with the fact that just a few weeks ago an item was slipped by the government into Supplementary Estimates (C)—

Mr. Speaker: Order, please. That obviously is not a question. The hon. member is making an argument now and I suggest that the question as asked is not in order. If the hon. member is seeking information, he should ask a question. I appreciate that he has invited the Prime Minister to make a statement but, even when an hon. member does that, the question should be asked in a way that cannot be considered as argumentative from the point of view of the Chair.

Mr. Danforth: Thank you, Mr. Speaker. Perhaps Your Honour will allow me to rephrase the question. I ask the Prime Minister if the $1 item that was placed in Supplementary Estimates (C), which extended this very privilege to the province of Quebec and other provinces, did not include the province of Ontario?

Inquiries of the Ministry

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, there is no difficulty in explaining this, if the House will bear with me. As I explained yesterday, the offer was made under the Established Programs (Interim Arrangements) Act in 1964. It was offered to all provinces. At that time only one province accepted. That was the province of Quebec. When we brought in tax reform in 1969, we explained that the tax points would no longer have the same meaning under the new taxation laws and therefore the same offer could not stand. In the meantime, Quebec, having accepted this temporary arrangement, was pressing to have the temporary arrangement made permanent. We said to them, as we are saying to Ontario: We cannot make it permanent until we know the value of a tax point; therefore, let us extend it temporarily on a yearly basis. After tax reform, we can then sit down and see whether we are going to have the same opting out or different provisions and how they could be made permanent and how they could be made available to Ontario as well as Quebec, and to any other provinces which wished to exercise that option.

Mr. G. W. Baldwin (Peace River): Would the Prime Minister assure the House that the extension to the province of Quebec for two years involving the sum of $25 million will not be resumed after that date?

Mr. Trudeau: If the hon. member is presuming that we shall be here in two years to make that decision, I accept the premise.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

* * *

THE CANADIAN ECONOMY

STATEMENT BY ECONOMIC COUNCIL CHAIRMAN ON INFLATION AND EMPLOYMENT OUTLOOKS—GOVERNMENT POSITION

Mr. Max Saltsman (Waterloo): I wish to direct a question to the Prime Minister, Mr. Speaker. Yesterday the chairman of the Economic Council of Canada stated that in the view of the Council inflation may be a problem for decades in Canada, that full employment would take three years to reach in the best of circumstances and that the economy is losing $3 billion a year in terms of production. Can the Prime Minister tell us whether the appraisal of the Economic Council is shared by the government or, if it differs, in what way is that difference reflected?

Mr. Speaker: The hon. member's question is a very interesting one, but it seems to me he has raised large issues and that he is inviting the Prime Minister or someone on behalf of the government to make a very general statement of the kind which ought to be made on motions. Perhaps the question might be rephrased.

Mr. Saltsman: May I just ask the right hon. gentleman whether the government has set a date by which this country will return to full employment?

Some hon. Members: Oh, oh!

Right Hon. P. E. Trudeau (Prime Minister): If the hon. member could state a percentage which he considers to be full employment I might be able to answer the question.

Mr. Saltsman: Although 4 per cent is not considered full employment, when does the right hon. gentleman think Canada will reach an unemployment rate of 4 per cent?

Mr. Speaker: Order, please. I doubt whether the question asked in those terms is in order.

Mr. Saltsman: On a point of order, Mr. Speaker, I realize that my question is somewhat unusual but it was put in that way in response to the question directed to me by the Prime Minister. I would hope the Prime Minister asked his question in all sincerity and that he will now be prepared to give an answer as to when the government anticipates we can return to a level of 4 per cent unemployment in Canada.

* * *

[*Translation*]

HIGHWAYS

QUEBEC—REQUEST FOR FEDERAL AID TO COMPLETE TRANS-CANADA ROUTE BETWEEN MONTMAGNY AND NEW BRUNSWICK

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the right hon. Prime Minister.

As the construction of the Trans-Canada Highway has not been completed in an important part of Quebec, namely that which is located between Montmagny and the New-Brunswick border, has the government of Canada received a request for financial help from the government of the province of Quebec for the purpose of completing the construction of this highway as soon as possible? If so, what was the government's reply?

[*English*]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I know of no such request having been directed to me. I will consult with the Minister of Transport to ascertain whether he is aware of any such request.

* * *

FINANCE

DATE OF PRESENTATION OF BUDGET—METHOD OF MAKING INCOME TAX CHANGES

Hon. Marcel Lambert (Edmonton West): My question is directed to the Minister of Finance. Last week I asked him whether by the end of April he could tell us when he intended to present his budget and whether that budget would include the income tax changes that have been forecast. Is he able to do so today?

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker. We shall have to extend the end of April by a few days.

[Mr. Saltsman.]

Mr. Lambert (Edmonton West): The minister will not be here at the end of April. Can he tell us whether he intends to let us have this information next week, because there is a great deal of uncertainty in the country and a great deal of anticipation about what is going to happen?

Mr. Benson: I can assure the hon. member I shall make the House aware of these facts at the earliest possible opportunity.

[*Translation*]

PROVISION OF SPECIAL CREDITS FOR MUNICIPALITIES IN BUDGET—DISCUSSION WITH PROVINCES

Mr. Roch La Salle (Joliette): Mr. Speaker, I have a question I wish to direct to the hon. Minister of Finance.

Whereas the Canadian Municipal Union has asked the federal government to allot credits to municipal projects and whereas the budget is forthcoming, would the minister be in a position to advise whether special estimates will be allotted to such projects and whether there will be talks with the provinces in this regard?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, it would not be proper for me to indicate what is going to be in the budget before the budget is presented.

* * *

AIRCRAFT

STATUS OF ORDERS FOR LOCKHEED TRI-STAR AIRCRAFT

Hon. J. A. MacLean (Malpeque): Mr. Speaker, I should like to direct a question to the Minister of Transport. Would the minister inform the House as to the present state of Air Canada's orders for the Lockheed Tri-Star aircraft, whether these aircraft will be equipped with Rolls-Royce RB-211 engines, what delay there will be in delivery, and the effect, if any, on subcontracts which will be let to the Canadian aircraft industry?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will try to answer the question briefly. The decision whether or not to proceed with the tri-jet program, that is, the decision by Lockheed to employ Rolls-Royce engines, has not yet been resolved. However, negotiations at the highest level are going on between the United States and Great Britain and the information, both public and private, is to the effect that these negotiations are progressing favourably. If agreement is reached between Lockheed and Rolls-Royce or between the two governments and the aircraft is therefore manufactured, it is anticipated that Air Canada will maintain its order for the tri-jets. This, of course, would result in the work already committed for in Canada in terms of subcontractors being carried on, as was the case before the Rolls-Royce troubles developed.

Mr. MacLean: Has the minister any indication of what the delay will be in delivery time and in contract work that will ensue if his forecast is correct?

Mr. Jamieson: Mr. Speaker, assuming an early resolution of the current negotiations—and there have been reports today that they have made further progress—the general feeling, I believe, within the industry is that the delivery schedules for all carriers will be delayed by from nine months to one year. Since Air Canada was anticipating taking delivery of its 1011's at the end of the current year or early in 1972, I assume it is reasonable to suppose that it will now be late 1972 or early 1973.

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HISTORIC SITES

RECOGNITION OF BIRTHPLACE OF DR. NORMAN BETHUNE

Mr. G. H. Aiken (Parry Sound-Muskoka): Mr. Speaker, my question is for the right hon. Prime Minister. It concerns relations between Canada and Mainland China and a long-neglected matter of common interest between the two countries. Is the government giving consideration to recognizing the birthplace of Dr. Norman Bethune at Gravenhurst, Ontario?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I thank the hon. member for notifying me that he was going to ask this question. I am informed that the matter will be discussed within a month by the Historic Sites and Monuments Board; I believe they are to take it up next month. Hon. members know that this board is the body which is authorized to make recommendations regarding such proposals. As an old China hand myself, I must say it is somewhat surprising to see this great Canadian recognized more in China than in Canada.

Mr. Speaker: With respect, I suggest to the hon. member and to the right hon. Prime Minister that this kind of question should normally be put on the order paper or discussed at the time of adjournment. The question has been asked and the answer given, but I would not want this kind of question to be considered a precedent.

* * *

INCOME SECURITY

REVISION OF WHITE PAPER IN LIGHT OF CRITICISM BY NATIONAL COUNCIL ON WELFARE—AMENDMENT OF FAMILY SECURITY PLAN

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare. In view of criticisms of the government's white paper on income security by the National Council on Welfare, which says that it is only a redistribution of poverty, may I ask the minister whether the government is considering revising its white paper on income security?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, without at all agreeing with the comment by the council or by the hon. member that this is redistribution of poverty, I would indicate, as I have done on many occasions here and outside the House, that we welcome proposals in respect of beneficial changes that can be made in the suggestions put forward in the white paper. That offer still stands.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, in light of the comment just made by the minister, may I ask whether he and the government will give consideration to the request of the Canadian Council on Social Development that the government recast its family income security plan?

Mr. Munro: Mr. Speaker, I have also indicated previously that we are reconsidering aspects of the family income security plan, and we continue to welcome suggestions in this area.

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AIR TRANSPORT

ALLEGED FAILURE TO SUPPLY AIR TRAFFIC CONTROLLERS WITH NECESSARY INFORMATION

Mr. J. M. Forrestall (Dartmouth-Halifax East): Mr. Speaker, in light of the urgency and very obvious difficulty involved, I should like to ask the Minister of Transport whether he can now clarify some of the confusion in respect of the air traffic controllers?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the investigation to which I referred yesterday, and which I ordered immediately the news items appeared, is still continuing. It not only includes conversations with representatives of the air traffic controllers but also a thorough examination of the procedures we are following in relation to the FAA in the United States. I have two interim memoranda from various officials who have been going into this matter. I realize, of course, that it is impossible for me at this stage to give a totally definitive answer, but I believe that two short excerpts may serve to clear the situation as it is now.

I have been advised that the officials have not been able to find any substance in the allegations in safety report No. 2 that on two occasions aircraft safety was jeopardized. I repeat, they have not been able to find any substance in it.

On another point, it has been established that Boeing 747 performance data and airspace separation data dictated by turbulence criteria were communicated to ATC units in January, 1970, and in fact Boeing 747 aircraft have been making use of Canadian airspace under Canadian control since approximately that date.

One final very brief observation I should like to make, with your indulgence, Mr. Speaker, is that officials of my department have reported to me that yesterday they asked the executive of the Air Traffic Controllers Association how the committee of consultation was working—I refer to the one I established and announced to the House two years ago—and the air controllers reported that they were quite pleased, that the meetings were much better than they had been in the past.

I can only say that the three things I put forward now to allay any fears will be followed up and I will make a full report to the House just as soon as the investigation is completed.

Mr. Forrestall: Mr. Speaker, I am sure we welcome that statement but I feel it is hardly enough in view of the many procedural errors and confusion in recent years. May I direct a supplementary question to the Prime Minister. In order to avoid this type of confusion and the apprehension that arises when this type of error occurs, will the government now consider establishing an independent inquiry into matters of transportation rather than just air transportation alone? The Prime Minister has indicated he is willing to reply to the question in respect of the establishment of an independent inquiry. Perhaps he might be allowed to give us the benefit of his thoughts.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I did not answer immediately because I was consulting with the minister. The answer to the question is no. We feel the situation is under control and there is no interest to be served by stirring it up, as might perhaps be the intention.

Some hon. Members: Oh, oh!

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AIRPORTS

TORONTO—DECISION ON SITE FOR NEW FACILITY

Mr. W. M. Howe (Wellington-Grey-Dufferin-Waterloo): I have a question for the Minister of Transport. In view of the apparently continuing confusion among the air traffic controllers at the Toronto airport because it would appear that the airport is surrounded by so many housing units, when will we have some information on where the new Toronto airport will be located? The present situation pinpoints the importance of constructing a new airport remote from present highly developed areas.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, without trying to shirk answering the question I can say, with respect, that it might more properly at this point be directed to the Minister of Transport for the province of Ontario to whom I have communicated the details of a specific proposal. I am now awaiting a response from him.

[*Later:*]

Mr. Robert P. Kaplan (Don Valley): Mr. Speaker, in connection with the minister's announcement that he has made a single site proposal for a second Toronto region airport to the government of Ontario, I should like to ask when this proposal was made and how long he is giving the province to comment on it before the proposal is made public?

Mr. Jamieson: Mr. Speaker, I did not set any deadline. To the best of my recollection the proposal was made about four weeks ago. The new Premier of Ontario asked for time to consider it. He wants to consider it himself and have it considered by his colleagues. I should think it reasonable to ask them next week how far they have progressed.

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AIR TRANSPORT

IMPLEMENTATION OF RECOMMENDATIONS OF INQUIRY INTO DC-8 CRASH AT MALTON

Mr. Robert McCleave (Halifax-East Hants): Mr. Speaker, may I ask the Minister of Transport when a reply will be made as to what steps the government is taking, if any, regarding the eight specific recommendations of the judicial inquiry into the crash of the DC-8 at Malton Airport, Toronto?

Mr. Speaker: Order, please. The Chair will allow the minister to reply to the hon. member's question and perhaps a supplementary question by the hon. member for Don Valley, and then recognize the hon. member for Lotbinière.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the hon. member asked me if I would prepare a report at the time our estimates were being considered by the Standing Committee on Transport and Communications. This work is being done but because of the Easter recess I must confess I do not know what stage it has reached at this time. I will make some inquiries and get a reply for him as soon as possible.

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[*Translation*]

FINANCE

ESTABLISHMENT OF CREDIT INSTITUTION FOR MUNICIPALITIES

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to put a question to the Minister of Finance.

Does he intend to give a favourable answer to the request made by the Federation of Mayors and Municipalities that a credit body be created to finance cities and municipalities?

[*English*]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I did reply to the mayors and municipalities at the time of their submission and indicated that generally our view was that outside the number of programs we have set up over a period of time to assist in the financing of municipalities, we felt that the basic responsibility was within provincial jurisdiction. Some of the provinces have set up institutions to do the borrowing for their municipalities.

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THE CANADIAN ECONOMY

EMPLOYMENT FORECAST BY ECONOMIC COUNCIL CHAIRMAN—GOVERNMENT POSITION

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the right hon. Prime

Minister. Does the government agree with the projection made by the chairman of the Economc Council of Canada that it will take three years for this country to reach full employment calculated on the basis of 4 per cent unemployment?

Right Hon. P. E. Trudeau: I apologize, Mr. Speaker, I did not understand the question.

* * *

NATIONAL SECURITY

GOVERNMENT INTENTION REGARDING PUBLIC ORDER (TEMPORARY MEASURES) ACT

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I should like to direct my question to the right hon. Prime Minister. In view of his commitment to the House that the government's intention in respect of the Public Order (Temporary Measures) Act would be made known prior to its expiry on April 30, does the government intend to let the act expire on Friday next? Will he give us that assurance?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, my promise to the House was that an announcement would be made before the end of the month, and that commitment still stands.

Mr. Douglas: At the same time, and prior to the end of the month, will the Prime Minister tell the House whether it is his intention to accede to the request of the premier of Quebec for permanent legislation, or can he assure the House now that the government is not going to proceed with permanent legislation and that present legislation on the statute books is adequate to deal with any situation which may arise?

Mr. Trudeau: That is not my understanding of what the premier of Quebec is requesting. Therefore I cannot answer the hypothetical question.

Mr. Baldwin: Mr. Speaker, in view of the fact the Prime Minister said on March 12, in response to a question, that before the end of April the Parliament of Canada would be seized with this particular matter, is it his intention to limit government action in this matter to a statement only and, if so, will there be two statements, one by the Prime Minister and one by a spokesman for the rest of the cabinet?

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question is supplementary and arises out of what the Prime Minister said. Has the premier of the province of Quebec asked for an extension of this act or for permanent legislation? If so, what has been the answer of the Prime Minister and the government to the premier who seems to be waiting for a reply to his letter?

Mr. Trudeau: Mr. Speaker, the premier is not really as worried as the hon. member. He wrote me several days ago asking what we were going to do. I have had some telephone conversations with him and my understanding of his position now is that he is not necessarily asking for the immediate enactment of further legislation.

Mr. Woolliams: Arising from that answer, as the premier is not asking for permanent legislation has he asked for an extension of the present act?

Mr. Trudeau: Mr. Speaker, it is my understanding he is not asking this but his statements have been made publicly and he has said nothing different publicly from what he has been telling me privately, and that is that he is not now asking for an extension of the present act.

Mr. Woolliams: Or any other act.

Mr. Speaker: The Chair will recognize the hon. member for Joliette on a supplementary. However, I bring to the attention of hon. members that we are running out of time and a number of members are anxious to ask questions. I would seek the co-operation of the House in relation to supplementaries.

[*Translation*]

Mr. Roch La Salle (Joliette): Mr. Speaker, I would ask the right hon. Prime Minister whether he is prepared to accede to the Quebec government's request concerning this legislation and whether his government is in favour of extending the present legislation.

Mr. Trudeau: As for my government's position, Mr. Speaker, I have already said a statement will be made in the House before the end of the month. However, it is rather strange that opposition parties, primarily the Progressive Conservative party, have expressed no opinion in this regard. We should be very pleased to know their views, if they have any.

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[*English*]

FAMILY ALLOWANCES

TIME OF INTRODUCTION OF AMENDING LEGISLATION

Hon. J. W. Monteith (Perth-Wilmot): Mr. Speaker, I have a question for the Minister of National Health and Welfare. Is the federal government yet prepared to introduce legislation to reform the family allowance system? If so, can the minister assure the House that the legislation will be introduced in time to be enacted by September of this year?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I believe I indicated to the hon. member for Winnipeg North Centre that we are welcoming proposals now. We indicated in the white paper that we hoped to have legislation before the House by April, I believe. I do not believe that is possible now, but it is our hope, as expressed, that we will have legislation as soon as possible and as soon as we have had ample opportunity to consider all views.

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question—

Mr. Speaker: Order, please. With the co-operation of the hon. member, perhaps the hon. member for Perth-Wilmot might be allowed a supplementary.

Inquiries of the Ministry

Mr. Monteith: I shall be very brief, Mr. Speaker. I take it then that the legislation will not be enacted in time to have it take effect in September?

Mr. Munro: I do not think that would be possible.

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POLLUTION

PROVISION OF FUNDS TO ENABLE FISHERIES RESEARCH BOARD TO EMPLOY STUDENTS THIS SUMMER

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I should like to direct a question to the Minister of Fisheries and Forestry. In view of the emphasis presently being directed toward environmental protection, as indicated by the minister's speech in Kamloops on April 24, will the minister indicate whether any funds have been made available for the hiring of students this summer for pollution control work and studies by the Fisheries Research Board?

Hon. Jack Davis (Minister of Fisheries and Forestry): The answer is yes, Mr. Speaker.

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NATIONAL REVENUE

EMPLOYEES' COURSES ON TAX REFORM—NATURE OF INSTRUCTION

Mr. Mac T. McCutcheon (Lambton-Kent): Mr. Speaker, may I direct a question to the Minister of National Revenue. In view of the fact that key employees of the Department of National Revenue are to be given two-week courses on tax reform, can the minister state if this instruction is based on the principles originally set out in the white paper on tax reform or is it on an amended version?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, any instruction in this regard will come after the bill is before the House.

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CANADIAN KENNEL CLUB

INVESTIGATION OF DELAY IN PROCESSING REGISTRATIONS AND TRANSFERS

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Minister of Agriculture. In view of the fact that many complaints are being received that it takes a year or more to obtain registrations, transfers of ownership, and so forth from the Canadian Kennel Club and that this organization seems to be going to the dogs, can the minister advise if any investigation is being made into the operations of the Canadian Kennel Club and is he having his officials oversee their operations and enforce the legislation for which he is responsible?

Mr. Speaker: Order, please. The hon. member's incisive and biting question should be placed on the order paper.

[Mr. Speaker.]

AIRPORTS

EDMONTON—DECISION ON CONTINUED USE OF INDUSTRIAL AIRPORT BY 737s

Mr. Hu Harries (Edmonton-Strathcona): Mr. Speaker, may I ask the Minister of Transport when a decision will be made by his department in respect of the continued use of the Edmonton industrial airport by 737s.

An hon. Member: When you are next back in the House.

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I hope the decision to which the hon. member refers can be made within the next week or ten days. There is a necessity for consultation with the city of Edmonton on this issue and such talks, which have been going on for some time, will be resumed on Monday, I believe.

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TRANSPORT

DISCUSSION OF WESTERN CANADA RAILWAY FREIGHT RATES WITH PROVINCIAL PREMIERS

Mr. R. R. Southam (Qu'Appelle-Moose Mountain): Mr. Speaker, I have a question for the Minister of Transport. This seems to be his day in the House. My question relates to the study that has been taking place now for several months by the minister and his officials and the premiers and officials of western Canada in connection with the excessively high freight rates prevailing in that region. Can the minister indicate whether this problem is reaching a resolution and, if not, when does he anticipate it will?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I suppose the matter of freight rates in western Canada or in any part of Canada will never reach what the hon. member calls a resolution, but some easement or improvement of the situation I hope will result from the current talks. As to the timetable, I am afraid I cannot be specific other than to say I hope it will be within a matter of weeks.

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[*Translation*]

INFORMATION CANADA

POSSIBILITY OF REDUCING COST OF PUBLICATIONS FOR STUDENTS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I want to direct a question to the Secretary of State.

Can he indicate to the House what possibilities there are for Information Canada to lower the prices of books sold to students in order to make it easier for young students who would like to use these books to get information?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I think that the hon. member directed his question to the wrong minister.

[*English*]

FINANCE

REPRESENTATIONS TO UNITED STATES RESPECTING TIGHTENING OF ANTI-DUMPING RULES

Hon. D. S. Harkness (Calgary Centre): Mr. Speaker, my question is for the Minister of Finance. Does the government intend to make representations to the government of the United States with regard to the recently announced tightening of their anti-dumping rules which could have a very serious effect on some Canadian businesses?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, this question is presently under review in my department. The rules are being looked at.

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TRANSPORT

BORDEN-CAPE TORMENTINE—RETENTION OF "JOHN HAMILTON GRAY" IN FERRY SERVICE BETWEEN OCTOBER AND MAY

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Minister of Transport. It is like unto a question I asked him on March 23. Are we now able to be assured that the ferry, *John Hamilton Gray,* will be returned to the Prince Edward Island-New Brunswick service in the fall, winter and spring of each year?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I should like to reply along the lines I did on March 23 and assure the hon. member that this service by the *John Hamilton Gray* will be preserved during the fall and winter months.

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HARBOURS

PACIFIC COAST—INQUIRY AS TO CHANGES IN SMALL HARBOURS ADMINISTRATION

Mr. Thomas S. Barnett (Comox-Alberni): Mr. Speaker, I should like to address a question to the Minister of Transport like unto the first question I asked him after he assumed his portfolio. Can he tell the House when something will be done about straightening up the mess of the small harbours administration on the Pacific coast along the lines of the report of Dr. Tom How?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I can only hope soon. There have been some complications with regard to the transfer of authority. As you know, we have been having conversations on the whole matter of port administration. While unfortunately in the past I have had to delay the time of announcement frequently, on this occasion I hope I can say I will be able to make it within a month.

Inquiries of the Ministry

POLLUTION

OIL SPILL AT ANACORTES, WASHINGTON—ACTION TO PROTECT CANADIAN BEACHES

Mr. D. W. Groos (Victoria): Mr. Speaker, I have a question for the Minister of Fisheries and Forestry. Now that it has been established that the oil spill which took place at Anacortes, Washington, yesterday is some 40 times as great as it was reported to be yesterday, what steps has the government taken to prepare for what is now the very likely probability that this oil spill will cross the international boundary and wind up on Canadian beaches?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, our task force on the west coast has been alerted, but the oil slick in question is still within United States territorial waters and some considerable distance away from Canadian territory.

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FINANCE

STORAGE OF COMPUTER DATA ON ECONOMY IN UNITED STATES DATA BANKS

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is directed to the Minister of Finance. Has the Department of Finance undertaken to store its computer data on the Canadian economy in data banks in the United States and, if so, is the minister going to make a statement on this subject in the House?

Mr. Speaker: Order. I doubt whether the first question is the type which should be asked at this time, but the minister might indicate whether he is prepared to make a statement on motions, as suggested by the hon. member.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I will look into the matter, but to my knowledge this is not the case.

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LABOUR RELATIONS

RESUMPTION OF NEGOTIATIONS BETWEEN ST. LAWRENCE SEAWAY AUTHORITY AND EMPLOYEES—CONTINGENCY PLANS IN EVENT OF STRIKE

Mr. Jack Murta (Lisgar): Mr. Speaker, I wish to direct a question to the Minister of Labour. Are talks again under way between the Canadian Brotherhood of Railway, Transport and General Workers and the St. Lawrence Seaway Authority, and has the Department of Labour advised the Canadian Wheat Board to develop any contingency plans regarding a possible mid-June strike?

Hon. Bryce Mackasey (Minister of Labour): In answer to the latter question, no, Mr. Speaker. In reply to the question whether talks have resumed, the answer is yes. While we are busy setting up a conciliation board as requested, both sides have agreed to resume negotiations and have been negotiating continuously since yesterday.

Inquiries of the Ministry

REGIONAL ECONOMIC EXPANSION

INQUIRY AS TO SIGNING OF NEW AGREEMENTS WITH PROVINCES—EFFECTS OF ACT ON NEWFOUNDLAND

Mr. James A. McGrath (St. John's East): Mr. Speaker, I would like to direct a question to the Minister of Regional Economic Expansion. Is he now prepared to announce when new agreements with the various provinces will be signed and, in particular, will the agreement with the province of Newfoundland take into account the present discriminatory effects of the Regional Development Incentives Act on that province?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I believe a speech would be needed to answer that question. If the matter deals merely with the renewal of the agreement, I hope that this will be done shortly, but I do not yet have any date in mind.

[*English*]

Mr. McGrath: As a supplementary question, Mr. Speaker—

Mr. Speaker: Order. The Chair has already sought the co-operation of hon. members regarding supplementary questions. The Chair will recognize the hon. member for St. John's East for one supplementary and then call on the hon. member for Annapolis Valley.

Mr. McGrath: I repeat my original question. When will the new agreements be signed—new, not renewed—and will the agreement with Newfoundland take into account the discriminatory effects on that province of the present Regional Development Incentives Act? It is a very simple question.

[*Translation*]

Mr. Marchand (Langelier): That is not a simple question, Mr. Speaker. I am not at all ready to say that the department's present programs discriminate against Newfoundland. Therefore, I reject that part of the question and refuse to answer it.

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[*English*]

ENVIRONMENTAL AFFAIRS

ECOLOGICAL STUDIES OF ST. JAMES PROJECT

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, my question is directed to the Minister of Fisheries and Forestry. Are officials of his department carrying on ecological studies of the St. James project and, if not, why not? If so, will he assure the House that there will be a statement made in the House that no adverse affects will occur to the St. James area if certain developments proceed?

Hon. Jack Davis (Minister of Fisheries and Forestry): Mr. Speaker, I shall have to make inquiries and answer the hon. gentleman as soon as I get a reply.

[Mr. Mackasey.]

EXTERNAL AFFAIRS

PROPOSED AMCHITKA UNDERGROUND NUCLEAR TESTS—REPRESENTATIONS TO UNITED STATES

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I would like to direct a question to the Minister of Fisheries and Forestry who reports on pollution matters and who comes from British Columbia. In connection with the representations being made to the United States regarding the potential pollution threat to British Columbia shores from the carriage of Alaskan oil down the west coast by tanker, is the government giving consideration to renewing its representations to Washington opposing the large underground nuclear tests scheduled to take place in the north Pacific?

Hon. Jack Davis (Minister of Fisheries and Forestry): I understand the answer is yes, Mr. Speaker. However, that question might better be addressed to the Secretary of State for External Affairs when he returns to the House shortly.

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NATIONAL REVENUE

EMPLOYEES' COURSES ON TAX REFORM—NATURE OF INSTRUCTION

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I direct this question either to the Minister of Finance or to the Minister of National Revenue, whichever one sees fit to answer it. Have any key employees of the Department of National Revenue been transferred to Ottawa for training courses with regard to changes in income tax in anticipation of the introduction of such changes by the Minister of Finance? Will these officials then be sent to various centres across the country to teach other officials, and to what extent have they been given instructions to follow the proposals set out in the white paper?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, plans are being made to train staff once the bill is made public and also when the decisions of the House are available. So far as the exact timing of this work is concerned, I would be happy to inform myself further and then advise the hon. member.

* * *

[*Translation*]

NATIONAL FILM BOARD

ALLEGED CENSORSHIP OF FILM "ON EST AU COTON"

Mr. André Fortin (Lotbinière): Mr. Speaker, I have a question for the hon. Secretary of State about another question I asked the right hon. Prime Minister yesterday.

The National Film Board made the motion picture "On est au coton" in Magog, Coaticook and Sherbrooke, about the problem of textile products. Since the showing of the film has been delayed, I would like to ask the hon. Secretary of State if it is true that some members of his staff have seen the film which would have been forbidden or censured because of its content?

Hon. Gérard Pelletier (Secretary of State): I am not aware, Mr. Speaker, of any preview of this movie by anyone from my office. I do know, however, that the distribution of this movie has been withheld by National Film Board authorities who have taken this decision on their own. I do not know whether this is a final or temporary decision, but I know that it has been taken by the authorities of the Board.

* * *

[*English*]

GRAIN

WHEAT—PROPOSED ACREAGE PAYMENT—AVAILABILITY TO PRODUCERS WHO FAILED TO OBTAIN PERMIT BOOKS

Mr. H. A. Moore (Wetaskiwin): Mr. Speaker, I wish to direct a question to the minister in charge of the Wheat Board. It is in regard to the proposed acreage payment of $1.40 per cultivated acre as shown on last year's permit books of the producers. Will the minister ensure that there is no discrimination against those grain producers who, for different reasons, failed to take out permit books last year?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, the bill which will soon be before the House indicates eligibility for payments for permit-holders who had their permits by March 1.

Mr. Moore: Would the minister not agree that a different basis could be used, because is it not true that there is no law which says that a producer must take out a permit book?

Mr. Speaker: Order. It seems to me that the hon. member's supplementary is in the form of an argument and a submission.

RAPESEED—RELEASE OF OILSEEDS COMMITTEE REPORTS ON STUDY TO INDIVIDUALS OR ORGANIZATIONS

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I would like to ask the minister in charge of the Wheat Board whether the reports on the rapeseed study undertaken by the oilseeds committee set up under his department, or parts of those reports, have been released to any individuals or organizations other than to the members of the committee?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Not as far as I know, Mr. Speaker.

* * *

[*Translation*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—INCREASES IN AMOUNT OF MONEY ALLOCATED—PROCESSING OF APPLICATIONS

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I should like to put a question to the Secretary of State.

Can he tell us whether new funds will be allocated for the Opportuniites for Youth program this summer?

[*English*]

I would also like to ask him whether all applications have been processed now, and whether late applications are still being considered?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am not yet able to answer the first question. In reply to the second, I must say that what projects are now reaching us are late. It may be that they will be considered, but this is not a certainty.

[*English*]

Mr. Speaker: Order, please. We have reached the end of the question period. However, the hon. member for Battle River has been trying to ask supplementaries on a couple of occasions. Perhaps he might be allowed to ask one supplementary, after which the Chair will call orders of the day.

* * *

GRAIN

WHEAT—PROPOSED ACREAGE PAYMENT—AVAILABILITY TO PRODUCERS WHO FAILED TO OBTAIN PERMIT BOOKS—APPEAL PROVISION

Mr. Cliff Downey (Battle River): My question is supplementary to the one the hon. member for Wetaskiwin asked of the minister in charge of the Wheat Board. It concerns the possibility of an appeals provision being established in regard to the matter of qualification for the stabilization fund payments of producers who, in the past, have not had occasion to have permit books and who have been growing grain but in effect have been feeding it to livestock. Will an appeals procedure be set up for them?

Hon. Otto E. Lang (Minister of Manpower and Immigration): None is anticipated. I think it should be understood that the transitional payment is related to the stabilization fund which itself will be related to the marketing opportunities for grain, and therefore it is intended for those producers who are in the grain selling business.

Mr. Speaker: Orders of the day.

Mr. Crouse: I rise on a point of order, Mr. Speaker.

Mr. Speaker: The hon. member for South Shore on a point of order.

Mr. Crouse: I wish to raise a point of order, Mr. Speaker, based on the reply given to my question by the Minister of Fisheries and Forestry. He indicated that funds would be made available for the summer training of students by the Fisheries Research Board. I have evidence before me which indicates that no funds have been made available for this type of training, and I would ask the minister to clarify this situation so that students—

Mr. Speaker: Order, please. I suggest to the hon. member that a supplementary question might be asked tomorrow. I bring to his attention that a number of hon. members did not have an opportunity to ask their questions. Perhaps the hon. member might be given priority tomorrow to raise this matter by way of an original question.

GOVERNMENT ORDERS

CANADA LABOUR (STANDARDS) CODE

AMENDMENTS RESPECTING HOURS OF WORK, WAGES, VACATIONS, TERMINATION OF EMPLOYMENT, ETC.

The House resumed, from Tuesday, April 27, consideration of the motion of Mr. Mackasey that Bill C-228, to amend the Canada Labour (Standards) Code be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

Mr. Speaker: Order, please. Is it understood that the minister's being called now will close the debate? I believe there was discussion in the House yesterday with regard to this matter. If there is no further discussion on the point, and the minister speaks now, he will close the debate. Is this agreed?

Some hon. Members: Agreed.

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, my first words are to thank the members of the opposition for permitting me to close the debate at this time in order that we may go on to other legislation before six o'clock.

As is customary with legislation dealing with labour, Mr. Speaker, the debate has been marked by very constructive criticism of changes and additions to the Labour (Standards) Code as well as suggestions on how the bill could be improved at the committee stage. It has been noted by most speakers that while the bill does not amend or change to any great extent the standards that are incorporated in the present legislation, nevertheless in many areas the proposed changes are breaking new ground in this country.

I might recall for members who have not been present during the debate of the last couple of days that for the first time in the federal field we will be providing for severance pay, group termination, individual notice, maternity leave, equal pay for similar work and protection for workers against loss of employment as a result of garnishment of their wages. The differences of opinion, which were valid, of course, did not centre on whether we should include those features in the legislation which the House is being asked to adopt in principle but whether the changes proposed go far enough.

There has been criticism of the whole approach of the government to labour and I am not certain that these criticisms were expressed at the proper time on second reading. I might remind the House once again that a companion piece of legislation will be introduced later in the session which will deal with industrial relations; that is, it will deal exclusively with what we tend to call the organized sector of labour.

As I mentioned earlier in the debate, I think we all too frequently forget that approximately 60 per cent of the work force in Canada, and certainly more than 50 per cent in the federal field, is made up of workers who for the most part depend upon the standards and minimums—I emphasize the word "minimums"—that are introduced and passed in this House, rather than upon trade unions, craft unions or any other form of protection at the bargaining table.

In other words, the minimum wage, hours of work, conditions for drawing overtime and all the new provisions that I mentioned are now available to people in the unorganized sector of the economy as a result of legislation and not as a result of collective bargaining. Nevertheless, Mr. Speaker, I must emphasize that the standards we are introducing and the standards we are amending, particularly in the minimum wage area, are meant to be precisely that—standards and minimums. It is not the intent as a general principle to run ahead of collective bargaining because that would be very unfair to the employer and to some degree unfair to those employees who do have the right to bargain collectively for conditions of employment.

There was some talk yesterday, Mr. Speaker, of the effect the minimum wage could have on our export position, but I have been unable to trace any such effect. As a matter of fact, in preparing this bill and in preparing myself for debate on various occasions, not only in this House but elsewhere, and considering the effect the minimum wage would have on the economy through the work force and its possible effect on employers and industry, I have been surprised, and disenchanted to some degree, at the lack of material available on the effect not only of the minimum wage but of termination, individual notice, and so forth.

There has been mention of the textile industry. Speaking for myself and not necessarily the government, I agree with the concept raised by some members of the House that labour should not resist technological change. I have always been an advocate of the concept that for our industries to remain competitive in the export field, labour and management must accept technological change, innovation and new methods of automation. While these may have the short-term effect of reducing a particular work force, in my opinion the end result is a more competitive industry. The studies which I have read, which are available in any library, indicate that our real competition in the textile industry—Japan and Korea—stems not primarily and exclusively from inexpensive labour in those countries but, rather, because these countries have taken advantage of the latest technology.

Having said that, and recognized that labour is on shaky ground in rejecting technological change, I think employers are also on shaky ground when asking labour to accept technological change for the good of the coun-

try, for the good of their children and grandchildren because change sometimes prevents the disappearance of an industry. I think employers should be prepared to minimize the effects of technological change and to give labour as much advance notice as possible of its introduction, with an opportunity to appreciate the end result. Labour should have a voice in the decision-making when technological change is to be introduced.

• (3:10 p.m.)

I was not aware of the effects on our Unemployment Insurance Department a year or two ago when it was found necessary to introduce computers into the operation because of the workload resulting from an increased work force. At first glance it meant the elimination of 800 jobs. But when I insisted, quite properly, as the minister charged with the basic responsibility in this area that positions be found for these 800 people, positions were found because the officials realized that they had to help in retraining those people on the job and to look after them in the sense that they had to be reclassified and helped with mobility grants. As the result of a little hard work and co-operation on the part of the work staff, all 800 people were absorbed by the unemployment insurance staff. When we reorganized our unemployment insurance structure in the future in order to improve the service to the people of this country, I hope this again will be the pattern—that we will not reduce our over-all strength but, on the contrary, we will probably add to it.

Without delving too deeply into the philosophy of minimum wages may I say that according to studies I have undertaken increased minimum wages, at one time or another, force companies into making bad decisions. They must decide on occasion whether they will pay increased minimum wages and remain inefficient, or reduce the work staff and introduce a greater degree of automation, thus placing their industry in a more competitive position. The result may be that the company concerned not only may remain in business but may expand its business. This is the concept I have alluded to and essentially I think it is an honest one.

May I say at this point that I agree that labour ought to accept technological change. I also believe that management has a responsibility to consult and negotiate, when it has arrived at a decision to introduce technological change, with the representatives of the work force and as a result of the ready acceptance of technological change labour may be redistributed, absorbed elsewhere or in some cases reduced. I think companies which have adopted this realistic approach have in most instances found labour to be very receptive and co-operative and I think the end results have been encouraging.

In going through some of the research material relating to the effects that minimum wages have on certain labour-intensive industries we usually find that one of several things happens. Surprisingly, one effect of the minimum wage is that it brings about greatly increased managerial competence, which results in higher productivity. Higher productivity makes it easy for the employer to accept or absorb the increased minimum wage. I am talking about industries which have traditionally depended upon inexpensive labour for their survival.

The increase in the minimum wage is quite often offset by increased managerial responsibility and efficiency. This usually results in increased productivity. Sometimes it results in a conscious decision on the part of management to automate plant in order to make it more efficient. As a result, the work force may be reduced temporarily but the economy is better off. In short, I have very little sympathy for businesses which are able to exist simply because there is a pool of cheap labour at their disposal. You will usually find that these industries hide behind high tariff walls. That is unfair to some parts of the country and does not strengthen our position as an exporting nation.

I am sure that when we get to the committee stage there will be the usual well-meaning amendments suggesting that the minimum wage be increased beyond the proposed $1.75. Perhaps what I am about to say will contradict what I have said previously. Having said, on the one hand, a minimum wage is most beneficial, I am also saying paradoxically that in increasing minimum wages in a federal state such as this I must be conscious of the effect that action will have on all the provinces. Our minimum wage law affects industries under federal jurisdiction that can better afford to pay the new, higher minimum wage than other industries. Here I am thinking of chartered banks, radio and television stations, trucking and industries like that. I am therefore not unmindful of the problems of the provinces.

It has been suggested that I am interested in raising the minimum wage because I want to become more popular. I suppose if I were to follow the logic of that argument I could become even more popular by bringing forward a minimum wage of $2, $2.25 or even $2.50 as the hon. member for Crowfoot (Mr. Horner) has been suggesting. I have a sense of responsibility which prompts me to take into consideration the problems of the provinces, particularly the Atlantic provinces where many small communities still engage in labour-intensive industries. Those industries do not lend themselves easily to automated methods of production or to technological change.

While I might like to see the minimum wage raised to $2, $2.25 or even $2.50 an hour if we were legislating in isolation from the other ten jurisdictions, nevertheless that cannot be done. I feel responsible for what happens in the provinces and I have a responsibility to the Ministers of Labour of the provinces—this has nothing to do with political backgrounds—not to distort beyond a reasonable limit wage patterns in industry. In other words, although traditionally industries under federal jurisdiction have paid higher minimum wages than in other industries, we do not want to go ahead so far ahead of the pack as to create embarrassing problems for some communities. That has been the experience in Manitoba. I do not wish to deal too stringently with the things that province has done because the debate so far has been moderate.

The government of Manitoba was elected because of its pro-labour concepts and its concern for people. Neverthe-

less, that province has had to set its minimum wage at a realistic level. They set it on the high side, which brought about the very real possibility that industries might move from Manitoba to other provinces where the minimum wage is considerably lower or where the distribution of goods is easier than in Manitoba. It is Utopian to set the minimum wage at $2, $2.25 or $2.50 an hour, but one cannot do that realistically and one must take into account the particular problems of each province.

Having said that, I am pleased to say that our minimum wage legislation has had the effect of forcing some of the more conservative members of the business community—I spell conservative with a small "c"—to realize that the minimum wage is really an instrument that can be used in the alleviation of poverty. It has been properly pointed out that you do not get rich if you are paid the minimum wage and it is very difficult, no matter how thrifty you are, to accumulate savings on a wage of $50 a week. Frequently wages paid are so low that people cannot live on them. Low wage rates encourage inefficient businesses and the continuation of cheap labour for certain employers. By permitting low wages we are really subsidizing those employers because their employees, not being able to live on their wages, need help which is often given in the form of supplements of some kind or welfare. Thus the taxpayer is made to subsidize those employers. In this way we are indirectly subsidizing inefficient management and underpaid labour.

Having said this, I propose that we stick to the minimum wage of $1.75 despite the eloquent arguments which have been advanced from all parties, including my own, for the minimum wage to be set at $2. The cost of any increase must be considered. A ten-cent increase in the minimum wage will bring about an additional cost of $2 million. To raise the minimum wage to $2 an hour would cost about $20 million. In reality we are proposing to increase the minimum wage from $1.25 to $1.75 in two stages and in a rather short period of time. On July 1 last the minimum wage was $1.25 and soon it will be $1.75.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the minister permit a question? Would he indicate whether the cost figures he referred to just now represent the cost to society as a whole or the cost to the government?

Mr. Mackasey: Mr. Speaker, speaking subject to correction because I do not have the figures in front of me, it is anticipated that this would be the increased cost to employers who would be asked to absorb the increase in the minimum wage.

• (3:20 p.m.)

Mr. Knowles (Winnipeg North Centre): Mostly private employers.

Mr. Mackasey: As I mentioned earlier in my remarks, I have no particular brief for chartered banks, radio or television stations. If I have any reluctance to increase the minimum wage to more than the $1.75 it is because I am not unaware of the problems of the provinces, including the province of Manitoba, which at some point become realistic and appreciate the effects of minimum wages. Certain provinces may have many labour-incentive industries.

We discussed methods of an adjusting formula. At one time I said, when bringing in the minimum wage of $1.65, that I was hopeful of finding a suitable formula. We can discuss in the committee an acceptable formula that will not be too rigid. The problem is that these formulas have a tendency to work in two directions. Despite the amount of research and effort we in the department have put into it, we have yet to come up with a suitable formula. We have made it possible for the Governor in Council to make increases on the recommendation of the Minister of Labour to his colleagues. Some people have quite properly and gently pointed out the political ramifications of the power given to the Minister of Labour through the Governor in Council to increase the minimum wage a month before an election. I will be quite prepared to accept an amendment at the committee stage which will limit the amount I could increase it by, if someone from the opposition would like to introduce such a formula into the bill.

I will deal very briefly with the hours of work because this is one of the areas where there is a legitimate difference of opinion. This is one of the provisions in the old labour code. Part I basically states the concept that nobody in Canada should work more than 40 hours a week, and if he is obliged to work more than eight hours a day or 40 hours a week he should draw time and a half. That is a basic concept which I endorse and a philosophy which most people in my party endorse.

Employees can work as many as 48 hours a week without being in violation of the code. The problem is in particular industries—the running trades, the field of transportation, railways, shipping and airline industries. While this concept is Utopian and desirable, it is not practical. It is all right for members opposite to say that the code should be rigidly enforced. The first people who would complain if the code were rigidly enforced would be the trade unions of this country. I know this from representations which they have made.

What we are proposing to do with the new code is introduce a large degree of flexibility, as mentioned by the hon. member for Halifax-East Hants (Mr. McCleave) in his very useful contribution. This bill will permit me for the first time to treat one segment of an industry different from another. In other words, there is no real logic in the shop crafts in the railways not being protected by this basic philosophy of eight hours a day, 40 hours a week. Their pattern is fairly uniform. This is true of a mechanic in the trucking industry who goes to work at eight o'clock and comes home at four or five o'clock, depending on the work pattern. There is no reason why the code should not be stringently enforced in these areas. Because it is virtually impossible to apply the code so narrowly in other areas of the trucking industry we have been unable to apply the code in those areas where it makes sense. The built-in flexibility in the bill will permit me to do precisely that.

One of the aggravations of the Minister of Labour, as was quite properly pointed out yesterday by members of the New Democratic Party, is that I seem to spend all my time signing exemptions from the code. After one more inquiry in each industry we propose to set up practical standards for the industry, that is, practical in the sense that if 60 hours is practical, then after representations from employees and employers this will become the standard of that segment of the industry where it makes sense. We must remember, of course, the necessity and importance of the companion piece of legislation, the safety code, where regulations are finally coming to completion after much prodding by interested members opposite.

We have to weigh the number of hours we will permit the transportation field, the trucking industry, to work. We have to couple this with the responsibility to society to make sure that a driver is working under the safest conditions and not running on pep pills or falling asleep at the wheel. The two must be balanced. Under the proposed legislation, which we can discuss in greater detail in committee, this will now be practical. This meets with the approval of the strong unions. I use the word "strong" numerically.

If one looks at the latest representations made by the association representing the railway employees he will see that on one page they recommend complete endorsation of the code and on the next page they say, "But we don't want it applied here". In other words, they would like to have their cake and eat it too. Any member who says that we should limit everyone's work week to 40 hours a week, eight hours a day, is not being realistic. I hate to say this. It may be desirable but it is not realistic. Nevertheless, the introduction of the code in 1965 and the adoption of the basic principle by this House has been good. In every industry, with one or two exceptions, we have been able to move from the practice that prevailed in 1965 to a much more enlightened and realistic position in 1971. In the airline, shipping and trucking industries we have been able to reduce the number of hours a person can work without sleep, etc. Rather than the exercise being considered futile, it has been very useful.

There have been many favourabe comments about the concept of equal pay for similar work. Some members more knowledgeable than I, know that legislation introduced in the late fifties attempted to do this. The weakness in that legislation was that the onus was on the alleged aggrieved person to instigate an investigation. Few people were that brave, especially when jobs for women were, and still are, scarce in many industries. Women were reluctant to bring to the attention of the department a formal complaint of alleged discrimination in the field of equal pay for equal work. This will now be rectified. That act will be eliminated and this facet of labour legislation will be introduced into the code.

The basic change will be the added responsibility assumed by our inspectors. They now visit employers under federal jurisdiction and check on wages, hours of work and other features of the code. They will have the added responsibility and duty of digging out these forms of discrimination as indicated by the payroll. By using the term "similar work" we are reducing the possibility of the odd reactionary employer to circumvent the law by saying that the work done by females is not quite equal.

Some hon. members delved into the area of general discrimination against women in the work force. This is more properly treated under the fair employment practices bill. The hon. member for Winnipeg North Centre (Mr. Knowles) is nodding his head, recognizing his own contribution about the possibility of discrimination in an industry predominantly male or female. He was in reality talking about the provisions that should be included in the fair employment practices bill which will be before the House perhaps this fall and certainly no later than next spring. It will be a companion piece of legislation. The two pieces of legislation cover equal pay for similar work, which will be in the present code, and the fair employment practices bill which will eliminate discrimination practiced against anybody, not just women, discrimination against race, colour, creed or sex.

Mr. Knowles (Winnipeg North Centre): As long as you are working on it.

Mr. Mackasey: The government is working very hard on it. The hon. member for Hamilton West (Mr. Alexander) referred to the question of public servants. In our department we are working very closely with the appropriate minister and officials in the public service to make certain that this change in the labour code and the present fair employment practices act is applied a little more assiduously and with a little more vigour than has been the case in the public service in the past. As has been mentioned in the debate, Mr. Carson and others who are knowledgeable of the public service have admitted that perhaps we have not been as assiduous as we should have been, but if any of them are listening now they may take my word that we intend to increase our activities in this field and make sure there is no discrimination being practiced in the public service, at least in those areas over which we have jurisdiction.

• (3:30 p.m.)

I do not intend to get into a discussion on equal pay. We can do this when we get to committee. As to the question of annual vacation, let me say I never ridicule the suggestions made by the hon. member for Winnipeg North Centre. We admit that his suggestions are based, usually, on his convictions and they are usually reflected in the private bills he has brought into the House for many years. He has urged that rather than make provision for two weeks' holiday after five years' employment, the figure should be increased to three weeks. This sounds like a very simple change, but I have approached the whole concept of standards in its relation to the organized sector of the work force.

I happen to be one who thinks this country would be better off if more of the work force were unionized, and for this reason I am not anxious for labour standards to destroy collective agreements or run ahead of the results of collective bargaining. A study of collective agreements carried out by our research branch discloses that less

than 25 per cent of the workers covered by such agreements are entitled to three weeks' holiday after five years. If we were to introduce such a requirement across the board we would be destroying collective bargaining.

Those who understand the collective bargaining process know that a group will often settle for two weeks' holiday rather than three weeks or four weeks in return for something they believe to be more beneficial, perhaps better sick leave arrangements or higher rates of pay. Nothing in a collective agreement can be studied in isolation, so I am reluctant to accept an amendment such as the hon. member proposed, for the reason that it runs contrary to provisions in many of the collective agreements. Moreover, the whole bill is based on minimum standards. The same is true of general holidays, although I am not convinced I am on as good a ground statistically here as I am in connection with the three weeks' holiday proposal.

Mr. Knowles (Winnipeg North Centre): So we can count on your support on that one.

Mr. Mackasey: I did not say that. It is just that my mind is a little more open on that one. The concept of maternity leave has been well accepted by everybody in the House. Again, it fits in nicely with the proposal in Bill C-229 amending the Unemployment Insurance Act. The period of time, 17 weeks, is of course identical with the provision made in the Unemployment Insurance legislation when one counts the two weeks' waiting period and 15 weeks' insurance.

The proposal here is that the employer be obliged to provide maternity leave for 17 weeks. This is one of the reasons we are definite about the way in which those 17 weeks are to be made up. Some speakers have suggested the arrangement ought not to be so rigid. We are not providing a holiday. Under the Unemployment Insurance Act we are interested in providing income to more than one million women in the work force who work because they have to work, because their wage or salary means the difference between poverty and a decent income.

Here we are seeking to provide maximum protection for the mother and the child. We would be defeating that purpose if we allowed a woman to determine herself how the 17 weeks should be broken up—whether it should be two weeks before confinement and 15 weeks after, or whether it should be 15 weeks before confinement and two weeks after, for example. The studies which have come out of the ILO, carried out in conjunction with the medical profession, indicate that the ideal circumstances for people in general—not, of course, for every individual—are those provided in the formula we have proposed, that is, the nine weeks and the six weeks. Of course, we have added two extra weeks so as to be consistent with the provisions of the unemployment insurance legislation. We cannot leave it up to the mother to decide how these 17 weeks should be broken up if we are to be consistent in our concern for her health and the health of what one might call the new addition.

One of the areas in which I found a real scarcity of information and research involved the question of group termination. I do not intend to take too long discussing this question. One document which I would recommend to all hon. members who are interested in the subject is a document which was published recently by the research department of the Western Business School and the Ontario Department of Labour. To my surprise—this shows I do not know everything—I find it was financed in part by the federal Department of Labour. It is worthwhile reading.

What these researchers have done is to study objectively the effect advance notice had on a particular group of employees in London, Ontario. Hon. members may recall the decision by Kelvinator to cease operations in Canada entirely. Advance notice was given and there was also severance pay. One of the conditions of receiving it was that workers were to remain on the job despite the fact that advance notice had been given. In the event, the workers did stay on the job in order to get the severance pay.

I shall not even read the conclusion of the report because it would take too long, but summarized very briefly the conclusion was—and this is substantiated by similar studies undertaken in the United States—that advance notice is really meaningful provided the full services of federal and provincial manpower departments and other agencies are given an opportunity to take effect. The irony of this is that the unions, despite many of their statements, are hardly progressive in this field. They failed in this case to co-operate with the departments of manpower, federal or provincial, in the attempt to find work for those affected during the advance period, or to arrange for retraining.

I would appreciate it if some of the labour critics in the House would look at this short but important study. It would indicate that measures to deal with the results of group termination of employment are much more effective if both sides involved, management and employees, accept the services of the proper agencies in order that the people concerned may find new jobs more easily.

One of the sections of the report speaks of the hardship caused by shutdowns of this type to a predictable group of people in the work force, persons over 50, persons whose skills are no longer required. They are virtually paralyzed, without any real chance of being reabsorbed into the work force. This means that the government must assume its responsibility—as I think we have in the case of the textile industry to a limited degree—to provide some income for those who are out of work often for reasons over which they have no control, perhaps as a result of a decision by a corporation whose headquarters are a thousand miles away to close down a branch plant in this country. There has been legitimate criticism with regard to the amendment specifying 50 employees. I believe that in the course of honest discussion during the committee stage we could perhaps vary the figure in such a way as to relate it to the size of the community in which a lay-off takes place. I am flexible in this area and look forward to the observations of hon. members.

• (3:40 p.m.)

The hon. member for Lotbinière (Mr. Fortin) made a very effective speech yesterday. He was a little concerned, as he had the right to be, about the powers at my disposal through the regulations made pursuant to the bill. I have just outlined one of the reasons I need these regulations, in order to make these provisions as flexible as possible—not to help the employer but to make the bill as practicable as possible, something that perhaps was not provided for in 1965.

With regard to individual termination, I think the two weeks that we have suggested is quite in order with private bills that I have studied and quite in order with the findings of the study to which I have made reference, and is sufficient advance notice to enable Manpower to look after the problems of one individual. Taken in conjunction with the provisions of holiday and severance pay, the period is certainly long enough and pretty much in line with the provisions in collective agreements.

Severance pay provisions have been criticized because some hon. members felt they did not go far enough. I suppose such criticism is logical in that in the eyes of some people we never go far enough. I do not mean this sarcastically, but the important thing here is not so much that the provisions do not go far enough but that we have them at all. To the best of my knowledge this is the only Labour (Standards) Code in North America that includes provisions relating to severance pay. So that while hon. members may say the five-year qualifying period is too long, or that the provision of two days' pay for every year's service is insufficient, the fact remains that we have broken new ground with this piece of legislation and we can study it again in depth in committee.

Finally, in discussing garnishment, there is no use belabouring the point. I suppose the general feeling in the House is that in all probability we should have made provision for this a long time ago. I understand that more than one suggestion has been made that another minister look at the concept of garnisheeing wages with a view perhaps to obliterating this social evil entirely.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, would the minister permit a question so as to make clear one point that has not been referred to at all in the course of this debate? In view of the fact that the Revised Statutes of Canada, 1970, which were tabled a few days ago by the Minister of Justice (Mr. Turner) include a consolidation of the Canada Labour (Standards) Code, the Canada Labour (Safety) Code, the Industrial Relations and Disputes Investigation Act and three or four other labour acts into one massive statute called the Canada Labour Code, may we assume that at the end of the process this bill will in fact amend that consolidated Canada Labour Code?

Mr. Mackasey: Mr. Speaker, I am not going to assume anything. The hon. gentleman is asking me a question regarding an area he is much more knowledgeable about than I am. This could be the end result and I might presume that the question is really the answer. I can find out if I can enlighten the House.

Yesterday one hon. member on this side made a contribution in the wrong debate. I do not endorse anything he said. The hon. member said we had no labour policy in this House. Our policy is one of fair play to all Canadians no matter whether they are in the work force or on the employer's side. I am prepared to debate this with my colleague when the appropriate piece of legislation is before the House later this session.

Motion agreed to, bill read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

* * *

FARM PRODUCTS MARKETING AGENCIES BILL

ESTABLISHMENT OF NATIONAL MARKETING COUNCIL AND AGENCIES

The House resumed, from Tuesday, April 27, consideration of Bill C-176, to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, as reported (with amendments) from the Standing Committee on Agriculture, and motion No. 1 (Mr. Horner).

Mr. Speaker: Before calling on the hon. member for Crowfoot (Mr. Horner) to resume the remarks he was making last evening in connection with the motion now before the House, I might make some brief remarks in connection with the suggestion made by the hon. member for Crowfoot in regard to the possible grouping of the motions.

The hon. member suggested that motions Nos. 1, 5 and 22 be grouped as one and that debate on motion No. 1 cover at the same time motions Nos. 5 and 22. Though it had not appeared to the Chair originally that this might be the logical way to debate the matter, on reconsideration and after studying the argument made by the hon. member last evening this would appear to be a reasonable suggestion and I can see no objection to the grouping suggested by the hon. member for Crowfoot. I believe he also suggested that there be a separate vote on each motion, and with that the Chair is prepared to agree.

It has also been brought to my attention that it has been suggested that motion No. 26 not be grouped with motions Nos. 24 and 25, as had been proposed by the Chair. Again, I would think that this suggestion would be a reasonable one and that motions Nos. 24 and 25 which stand in the name of the hon. member for Crowfoot be considered as one, that motion No. 26, which stands in the name of the hon. member for Timiskaming (Mr. Peters) be considered separately, and that there be separate votes on each of these three motions.

I see the hon. member for Winnipeg North Centre (Mr. Knowles) indicating that he would like to comment on this suggestion of the Chair and I will recognize him.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, my comment is very brief. I simply wish to say that with the change Your Honour has suggested regarding motion

No. 26, the entire line-up of these 30 motions which you have set out meets with our approval.

Mr. Speaker: Then that is agreed and so ordered. I might suggest to the House that the voting procedures will have to be changed in that motions Nos. 5 and 22 will have to be called with the first group of motions on which there will be divisions. It had been suggested by the Chair that the vote on motions Nos. 5 and 22 be taken later. Are hon. members agreeable to this suggestion?

Mr. Olson: Mr. Speaker, I have a point of order. I do not know whether it ought to be raised now or when we reach motion No. 9. On reading *Hansard* I noted that the comment was made that all of the amendments were considered to be in order with the exception that some reservation was expressed about motion No. 30. I should like to draw to Your Honour's attention that motion No. 9 was in fact moved in the committee and declared to be out of order because it exceeded the recommendation of the Governor General. I wonder whether you would take that point into consideration in deciding whether motion No. 9 is in order here.

Mr. Speaker: The minister recognizes, of course, that the Chair is not bound by a ruling which may have been made in committee. If when motion No. 9 is reached the minister wishes to raise this point, he can reserve the right at this time to raise it by way of a point of order and the decision might then be taken whether the motion should be put and debated. For the moment the Chair is required, under the rules, to put motions Nos. 5 and 22, which are to be considered together with motion No. 1.

The hon. member for Crowfoot (Mr. Horner) moves motion No. 5 as follows:

That Bill C-176, an act to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be amended by deleting paragraph (ii) of subclause (g) of clause 2 at page 3.

The motion will, of course, be put later. The hon. member for Crowfoot (Mr. Horner) also moves motion No. 22 as follows:

• (3:50 p.m.)

That Bill C-176, an act to establish the National Farm Products Marketing Council and to authorize the establishment of national marketing agencies for farm products, be amended

(a) by adding to subparagraph (ii) paragraph (a) of subclause (1) of clause 18 the word "such" after the word "any" at line 13, page 12 and by deleting from the subparagraph all the words after the word "proclamation" at line 14; and

(b) by adding to subparagraph (ii) paragraph (a) of subclause (2) of clause 18 the word "such" after the word "any" at line 6, page 13 and by deleting from the subparagraph all the words after the word "proclamation" at line 7.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, in my remarks last evening I drew attention to the fact that I did not want to proceed with this item at a time when neither the Minister of Agriculture (Mr. Olson) nor the chairman of the agricultural committee were in attendance. I felt an important bill such as this should not be proceeded with unless one of the authorities responsible for bringing it before the House was present to take part in the debate or to at least listen to the remarks of hon. members.

[Mr. Knowles (Winnipeg North Centre).]

One hears a great deal about Bill C-176, particularly that it is an all-powerful piece of legislation which takes much of the decision-making from the farmers and gives it to the government. It is interesting to note what was said by the Prime Minister (Mr. Trudeau) at a Liberal party meeting back in 1963. He said that power is what they are interested in. The only kick allowed is that which comes from a donkey. Some say it does not matter. He also said at that time: Say anything and think anything you like, but put us in power because we are best suited to govern.

As a result of this bill in the name of the Minister of Agriculture it is interesting to note how quickly the Prime Minister has changed from an NDP supporter to a Liberal supporter. He wants power and he does not want anybody to interfere with this power. When the Minister of Agriculture attempted to interfere by removing cattle from the coverage of this bill he was not allowed to do so because the Prime Minister did not want it. Last night I referred to proceedings No. 7 of the committee, page 18, where the minister is reported as having said:

On September 16, 1970, I quote:

12. The first ministers also considered current problems which were being encountered in the interprovincial marketing of certain agricultural products.

13. The conference received a report that Bill C-197, the farm products marketing agencies bill which is at present before Parliament, would enable national marketing boards to be established which could help to meet the marketing problems being encountered. It was noted that the bill would provide for delegation of both federal and provincial authority to the marketing boards. It was observed also that while Bill C-197 had been generally agreed to by provincial Ministers of Agriculture, the federal government was ready at this time to consider suggestions which provinces might wish to offer for amendments to the bill. It was the consensus also that it would be appropriate for the bill to exclude beef cattle from the jurisdiction of such marketing agencies.

I emphasize these words to make it abundantly clear that the provinces agreed to this bill under certain conditions. One of the conditions was that cattle would be excluded. In my amendment I suggest that all products be excluded from the provisions of legislation until such time as the provinces agree. This would then in a true sense be enabling legislation: it would be there for use only if the producers wanted to use it.

The Prime Minister stated quite clearly in his Winnipeg speech that there must be agreement with the province regarding jurisdiction in marketing under this legislative proposal. There is no unanimity by the provinces regarding this bill. Representatives of Newfoundland informed the committee that this bill was ultra vires and they wanted no part of it. Mr. Thatcher said that so long as he was in office in Saskatchewan no part of Bill C-176 would be used in that province. Mr. Strom of Alberta suggested that red meat should be excluded from the bill. Manitoba is taking the whole matter to the Supreme Court of Canada which has now agreed to hear the case, and other governments have until May 21 to file their arguments in support of Manitoba's case.

There is no unanimity among the provinces in respect of this legislation, yet this government intends to proceed with it at a time when the department of information is sponsoring literature which suggests that Canada and Canadians must stand together and understand together. Can the Minister of Agriculture or the Minister of Justice (Mr. Turner) honestly say they understand the position of Manitoba, when that province has to go to the Supreme Court of Canada for understanding and justice? The article to which I have referred suggests that we cannot bring Canada together by building fences around regions. I suggest that Bill C-176 allows for the building of fences around certain regions. My amendments Nos. 1, 5 and 22 would help tear down the fences this bill will allow to be constructed.

Some may say that I am misrepresenting the facts and that there will be no fences. They may suggest this is all in my imagination. Let me read what the deputy minister said about fences being built, as reported in committee proceedings No. 39, page 45 as follows:

I think if one changed it to the conditional what you are saying, sir, is perfectly correct; it could be. I do think of necessity that it will be. When I say that, if the Governor in Council wishes to extend that power to them, an agency can have authority to exercise control over products moving from an unregulated area into a regulated area.

He went on to say:

"We are not going to allow you to expand the movement into our market on an unlimited base." Probably what they would say to them would be something that might be similar to our GATT arrangements—

The Deputy Minister of Agriculture suggested to the Committee on Agriculture that the regions of Canada might require trade agreements similar to GATT. If that is the case we can hardly say this is one country. The hon. member for Fraser Valley East (Mr. Pringle) said in this House and across the country that Canada is actually composed of 10 countries under one nation. If that is true we can look forward to very difficult times. If we have any intention of remaining united we will find ourselves in difficulty as a result of measures of this kind. This is what Mr. Uskiw, Minister of Agriculture for Manitoba, had to say on this point: it is to be found at page 26 of proceedings No. 17:

Let me say, as I mentioned earlier, that we did have discussions with the minister from Quebec. To what extent the trade has been involved with their counterparts in eastern Canada I do not know. That is another vehicle. However, again may I point out to you that I am not at all happy about accepting the principle of having to negotiate one's way into a Canadian market.

• (4:00 p.m.)

I suggest he does not have much hope. If we are one country we should be able to move freely between the various regions. We should be able to take our cattle and our money freely between the various regions and to move our produce freely between them, if this is one country. This bill will compound the problem of unity within our country. It is interesting to note that the question is before the Supreme Court. This debate should not proceed until the Supreme Court has ruled on whether we are one country or ten countries as the hon. member suggests. As recorded at page 134 of committee proceedings No. 43, the minister had this to say on the subject:

It could be if it was moving into an area that was regulated.

The minister was answering a question I had asked as to whether the movement of products would be affected when being moved into another area for export. After the minister replied I said, "Yes, it may be affected". Then the minister said, "Yes". The transcript continues:

Mr. Horner: In other words then it may not be all that permissive.

Mr. Olson: Well it is permissive to the extent that I have explained previously.

Mr. Horner: Yes, to the extent that you have explained previously, but not completely permissive. If a province does not want to go in, it may well be affected by others going in.

Mr. Olson: Mr. Chairman, quite obviously if a number of provinces agreed to a national marketing plan to regulate the product within that region that some other region could not be expected to have complete free access to that market outside of the marketing agency.

In other words, he admits that if an agency is set up to encompass a portion of Canada, then the produce from the unregulated area cannot move into another area. This immediately sets up regions within Canada. As recorded at page 67 of committee proceedings No. 35, in answer to a question put by the hon. member for Vegreville (Mr. Mazankowski) who was pursuing a certain line of questioning the minister said:

Mr. Chairman, the provisions for what Mr. Mazankowski has raised are provided in clause 18 which is, indeed, the contents of the proclamation establishing an agency and giving that agency the powers by an act of the Governor in Council. Of course, if every province in Canada wants an iron-clad guarantee that they can opt out of the plan if a plan is in effect and still sell all of their products into any other part of Canada without any obstruction at all is the position that they would be in in the event that no province had any marketing legislation. We know that the situation is that the provinces have and some of them are exercising their authority very severely now.

He is quite correct. The report continues:

Mr. Mazankowski: Is it constitutional, though?

Mr. Olson: Of course, that is an argument that the courts will decide.

He immediately admits that the courts must decide this question. Why are we occupying time in the agricultural committee and in this House on a matter which will be decided by the courts? I understand the arguments have to be filed by May 21. We should not be proceeding with this matter. We all know there has been a great deal of debate on this bill. What does the report of the agricultural task force say about this? This passage appears at page 320:

One posible kind of national marketing board is a national producer-controlled agency created by provincial marketing boards.

This is exactly what this bill attempts to do. The report goes on to give an explanation of how it might work:

A formula might be devised to share expansion in each provincial market, perhaps according to growth in population or to give greater self-sufficiency provincially.

It continues:

> Economically, this system is likely to be a disaster. Balkanizing the economy into ten sub-economies and preventing the shift of production to those areas in which it can be carried out most cheaply and most profitably.

This is a very interesting statement. This is exactly what the bill is doing: it will balkanize the country and create regions and barriers within the country. It is interesting to note what the newspapers have to say. Here is an item which appeared in the Winnipeg *Free Press Weekly* of February 13. The headline reads: "C-176 not for producers". Here is another in the *Western Producer* of February 11: "Western groups list objections to national marketing bill terms". The article lists the number of people who are opposed. The Manitoba *Co-operator* states that Bill C-176 in its present form is a document that could perpetuate and accentuate regional differences and destroy the basic economy of Manitoba. What did the minister say at Purdue University, Indiana? I have here an editorial which appeared in the *Country Guide* for April, 1971. It reads as follows:

> Federal agricultural minister H. A. "Bud" Olson, speaking at a meeting at Purdue University, Lafayette, Ind.: "Reduced to its simplest terms, the legislation would allow provincial marketing agencies to delegate their powers to a national agency. By the same token, the federal government could delegate its authority, including the power to control trade between provinces, to the national agency.

Is the province of Quebec prepared to delegate its power to a national agency? Is Bill Stewart, the Minister of Agriculture, prepared to delegate his power to a national agency over which he has no control? I doubt it very much. Today we see the provinces trying to protect that which is theirs. The national government, under this power-hungry Prime Minister, is seeking more and more power: the Minister of Agriculture admits it in this article.

Is the federal government really delegating its power to a national agency? It is not. It is appointing the national agency, so, actually the agency is part and parcel of the federal government. Therefore, the federal government really is not delegating its power, but the provincial governments will be delegating their power. If in June the Supreme Court should uphold the Manitoba case to the effect that there shall be free trade in Canada and that no province can interfere with it, there will not be one province which will agree with this bill. Why should they? Their trade would then move and no one could interfere with it. I say this bill should be held up and not debated until we know exactly the situation in respect of interprovincial trade. The hon. member for Fraser Valley East had something to say about this as recorded in the Canadian *Poultryman* for January, 1971. He said:

> The government presented a poorly-drafted bill.

Never was a truer word spoken by the hon. member for Fraser Valley East. The article continues:

> The producers have succeeded in preventing more comprehensive amendments.

The matter is being discussed in the courts and by people all across Canada. It is being discussed by the apple growers in British Columbia and by the apple growers in Nova Scotia. The bill should be held up until the whole question is settled. I have endeavoured to understand the government persistence. As I said earlier, the only rationalization I can find for the government's persistence in this regard is that it wants power: power is the only thing the Prime Minister and the government want. He is now a full member of the Liberal party as he saw it in 1963—power-hungry, reaching out for more power and taking power from the provinces through this legislation under the guise that he will then regulate everything. It is something like a farmer telling his son, "I will give you no money. Leave all the money with me and I will dole it out wisely." This never satisfies the son. When the provinces really understand this legislation they will not be satisfied with it either.

• (4:10 p.m.)

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, welcome this opportunity to comment on Bill C-176, particularly on the first amendment that has been moved following its return to the House from the standing committee. However, I am in a bit of a quandary because it seems to me there were assertions made about motives and that sort of things respecting certain witnesses, and indeed certain hon. members, in connection with things which it is suggested took place during the committee hearings.

I am not sure whether it is appropriate for members of the House to reflect on what has taken place in committee, particularly in that respect, because if this is to be a practice that is undertaken by some committees I am sure, Mr. Speaker, you would agree it is open to all members of the House to take the same position with respect to that kind of procedure. I am not raising a point of order about it now, but I take it from the comments made that we will probably get into that situation and I think it will be regrettable if we do.

Mr. Horner: On a point of order, Mr. Speaker, with respect to the committee proceedings, the committee studied a bill and its proceedings then became available to all members of the House. Many hon. members may have wished to take part in the debate in the committee but were not able to do so because of prior allotment of their time to other committees. Therefore it behooves me to suggest that what the minister is saying would disallow discussion on what took place in the committee. Surely it is the duty of committee members to enlighten all members of the House on what went on in the committee and the arguments raised in the committee.

Mr. Olson: Mr. Speaker, the hon. member has completely missed the point. I think it is one of the long-standing rules of the House that no member may reflect on the vote or indeed on the motives of any other hon. member, whether the member was voting in the House or in committee. But in any event I am not going to raise a fuss—

Mr. Deputy Speaker: Order, please. I regret interrupting the minister, and I know he did not raise this as a

point of order. I appreciate the point raised by the hon. member for Crowfoot (Mr. Horner), and both hon. members have indicated some concern. Frankly, the Chair was not very concerned about the remarks of the hon. member for Crowfoot because I do not think that in them there was a reflection on decisions made by hon. members in committee or a reflection on the motives of hon. members. If such had been the case, I think the hon. member for Crowfoot would have been out of order. My impression was that he made some comments on the evidence given to the committee and I think he was generally in order. I thank the minister for raising this point and I know hon. members will wish to keep it very much in mind.

Mr. Olson: Thank you, Mr. Speaker. This bill has received very extensive consideration in the agricultural committee. You will recall that there was some consideration of essentially the same bill in the last session of Parliament. Something like 37 agencies appeared before the committee to give their views, and then of course there were meetings across the country. The evidence taken and the record of the committee proceedings runs to almost 3,000 pages. I might add, Mr. Speaker, that 36 amendments were accepted by the committee since Bill C-176 was referred to it by the House.

Now I wish to make one or two general comments. In so far as the need for the provisions of Bill C-176 is concerned, the argument has been made in this House and in many other places across the country that the bill will contribute to the balkanization of the country and, indeed, to setting up trade barriers between provinces. I say, with great respect and deference to those who make that assertion, that the whole purpose of Bill C-176, the desired end result and the objective are exactly the opposite of that suggestion. The purpose of the bill is to provide a means whereby the provinces can in fact get together and work out a plan that is acceptable to all the provinces, bearing in mind that all the provinces have legislation on their books dealing with the orderly marketing of farm products, and to make it possible for the federal government to delegate some of the authority it has with respect to the interprovincial movement of agricultural products so that marketing orders, wherever they may be made, will be applied uniformly on all sides of provincial borders.

This argument ignores one very essential point, and that is that all the provinces now have this legislation on their books. And indeed we cannot ignore what has happened in the past few months, the application of such legislation on the books not only by Ontario and Quebec but by many other provinces respecting the two commodities with which there is presently the greatest difficulty, eggs and broiler chickens. This has now happened and we cannot ignore what has happened and what is likely to happen.

Indeed, Ministers of Agriculture meeting more than two years ago indicated they were afraid that unless concerted action was taken across the country under the aegis of federal legislation, the situation in which we find ourselves today respecting some agricultural products would arise. What is more, Mr. Speaker, within the last few days we find further indications of an escalation of this situation by the passing of more severe marketing orders respecting these two products, as well as an indication by some provincial officials that the situation will probably escalate to other products and will not necessarily be confined to agricultural products.

That is the problem with which we are faced, and for hon. members or members of the public generally to suggest that Bill C-176 is going to balkanize the country, when that is exactly what is going on now in the absence of a national marketing act that will provide the legal basis upon which a co-operative framework can be laid, is a contradictory argument. Without saying anything more about that, Mr. Speaker, I would like to spend a few minutes discussing some advertising that has been taking place.

The hon. member for Crowfoot (Mr. Horner) referred to some advertising. I note that he has also been responsible for getting some advertising into a number of papers across the country. One of the ads—this is the one which appeared in the Ottawa *Citizen* on April 22—carried the same format as a number of others that have appeared in other papers. The advertisement states—

Mr. Horner: On a point of order, Mr. Speaker, I did not hear the minister but I am informed that he said I was responsible for some ads being placed in papers, particularly in the Ottawa *Citizen.* I want to make it abundantly clear that I am not in any way responsible. I consulted no papers. I know of the ads he speaks of because my office is being bombarded with coupons, and I am glad to serve the farmers in any way I can. I am not responsible for the ads at all. I am not financing them, nor am I in any way responsible for their wording or their being placed in the papers. I want to make that abundantly clear.

• (4:20 p.m.)

Mr. Olson: Mr. Speaker, the ad I hold in my hand is dated April 22, the Ottawa *Citizen.* After many other things appear the words: "Mail to Jack Horner, MP, Ottawa".

Mr. Horner: On this point of order, Mr. Speaker—

Mr. Deputy Speaker: Order, please. The hon. member for Crowfoot has indicated to the minister and hon. members of the House, if I can paraphrase him, that he was not responsible for the ad. The Chair does not assess the significance of it, but I think hon. members will accept the word of the hon. member for Crowfoot.

Mr. Horner: On that point of order, Mr. Speaker, I know from my experience in campaigning that when an ad is placed in a newspaper it has to be stated somewhere in it who is responsible for it. The minister has the ad before him. In order to clear my name—I find my name in the newspapers a lot these days; sometimes I wish it were not, but in this case I am glad it is there because I am prepared to serve the farmers in any way I can—I wonder if the minister would read who is responsible for the ad.

Mr. Olson: I am prepared to table the ad, Mr. Speaker. It does not say anywhere who is responsible for it. The

headline reads: "All Ontario Farmers!" It deals with a lot of erroneous arguments and at the bottom it says: "Mail to Jack Horner, MP, Parliament Buildings, Ottawa". There are some other names but it does not say who they are or what they are doing. It doesn't say that they inserted it or that it is being sponsored by them. There are the names, "Maurice McCallum—Carp" and "Omer Beriault—Green Valley", and it says: "Representing a group of farmers". It does not say who put the ad in the newspaper or that they sponsor it. Anyway, I accept the hon. member's assertion that he is not responsible for these ads.

Mr. Ricard: You tried it and did not succeed, Mr. Minister.

Mr. Horner: I will give you the coupons.

Mr. Olson: I have a few coupons too. I want to deal with the substance of the ad, if I may. It reads that this policy "inevitably leads to total and arbitrary government control". The fact is, Mr. Speaker, that the bill provides that no agency will be established unless a majority of the producers of the commodity wish it.

Mr. Horner: How is that majority determined?

Mr. Olson: That is specifically stated in clauses 7 and 17 of the bill which provide a wide range of the type of agencies, from those solely involved in promotion to those which come under provincial legislation to control production—that is, under the delegation of provincial authority. The nature of the agency will depend upon the plan that is negotiated between the provinces and the federal government. Producers will decide whether they like a plan, because Bill C-176 itself does not provide for production controls. This bill does not give authority for production controls in any way, shape or form. It says what the marketing agencies may administer, but no attempt is made to give authority to those marketing boards nor to give them the right to control production. The reason is that this is entirely under provincial authority—

Mr. Horner: Read clause 2(d) of the bill.

Mr. Olson: —and at the present time all provinces have acts that provide for this. Dealing with the amendments before us now, in motions Nos. 1, 5 and 22 there are no exemptions from provincial legislation of any specific commodity whether it be beef, pork, apples, potatoes or anything else. Another point I want to make, Mr. Speaker, concerns the statement in this ad that "government appointees shall set prices of farm products without negotiations with farmers." The bill provides that the make-up of the agency will be as set out in the plan; thus, it could be by farmer election or any other method that is accepted in the plan. Indeed, there are other places where the committee did in fact strengthen it. We knew it was going to be that way without it being articulated, but the committee spelled out that there must be a majority of producers both on national council and in the marketing agencies.

The next point I wish to deal with is where the ad asks: "Why are there no import controls in C-176? Because imports are the regulator of the farmer's price..." Mr. Speaker, import controls are not provided in Bill C-176 because ample authority exists in other legislation. There are other matters I could deal with in this respect, Mr. Speaker, but I shall not take up any more time on it. I hope that my remarks convey to some degree how inaccurate the assertions in this ad have been and the extent to which they have misled farmers all across the country. I hope these people will realize that they have done a very great disservice to the farming community.

The amendment before us would place in jeopardy the meaning of an agricultural product since it proposes to delete all the words after "agriculture". I do not believe I can accept this amendment because it would remove those words which are used to clarify but not to restrict the term "farm product".

Amendment No. 5 which is also before us would delete paragraph (ii) of subclause (g) of clause 2. If this were accepted, in effect it would allow an agency authorized to operate within seven provinces to exercise its power in all ten provinces. We made it very clear that we do not intend to impose this and indeed I am not even sure that we could if a province did not agree. This paragraph was introduced to ensure that the agency could only exercise its powers, (a) with respect to production produced within the area of its jurisdiction, and (b) within its area respecting production produced elsewhere in Canada outside its jurisdiction. I think there is need for the latter power because it is only with respect to entry into the region, and only then should circumstances arise which would make it evident that there was an attempt to circumvent the purpose of the agency within the designated region. There has been argument about this with respect to amendment No. 5. I suggest that it would completely frustrate the purpose, and that is one of the main reasons why provincial legislation by itself has been insufficient to cope with the situation.

When the marketing orders and the application of that legislation is confined to a very small area or a restricted area, then of course there are ways of circumventing and therefore frustrating the purpose of the provincial government. We want to make sure this does not happen. The argument that some provinces other than those which have joined in a marketing plan ought to have open, complete and free access to the market that is being regulated under a plan agreed to by other provinces completely negates the purpose or some of the solutions which Bill C-176 is designed to correct.

• (4:30 p.m.)

In conclusion, Mr. Speaker, since I suspect that there will be several other opportunities to speak on the amendments before the House may I say a word or two about the other amendments included in the group which we are discussing. The amendments contained in paragraphs (a) and (b) of motion No. 22 seek to inhibit the successful operation of an agency. They propose that an agency may not be given authority to protect its opera-

tion from those who are outside the designated area and operating in a manner that is designed to circumvent that scheme.

I think it must be appreciated that this subparagraph of clause 18 is written in such a manner as to provide authority to the Governor in Council to set out in a proclamation whether or not an agency shall have authority to deal with products from outside the designated region. Written in this fashion, it allows the Governor in Council to give or to withhold such power. Furthermore, it gives the Governor in Council the opportunity to indicate to what extent such authority may be given respecting products produced outside the designated area. So, Mr. Speaker, we must be vigilant.

In bringing forward a plan that will work for the orderly marketing of the particular product of a majority of farmers, we must be vigilant in case we leave loopholes by which other farmers may benefit as a result of circumventing the purposes of the act or its administration, thereby being put in a favourable position because they are able to do their marketing in isolation from conditions which the overwhelming majority of farmers have approved. Having made these comments may I say that so far as I am concerned I do not think we should accept the amendments in the group now under discussion.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, the proposals in this bill received a great deal of amendment and consideration in the standing committee over a long period of time. They were first considered when introduced in the former bill and were subsequently considered when introduced in Bill C-176.

At the outset may I say that one of the unfortunate aspects of the situation is the time when the bill was presented to the House for consideration. By that I do not mean that the government deliberately picked the time; I do not know whether they did or not. The fact is that the bill came forward to Parliament and to the standing committee for consideration when agricultural marketing in this country was in a turmoil and when the marketing of agricultural products was being interfered with by provincial governments and agencies of provincial governments.

This had the effect of stirring up a great deal of fear and misgiving in the provinces concerned and among the producers of some products who found their free access to certain markets to which up to that time they had undisputed access, interfered with and curtailed. That drastically affected their incomes. The point I wish to make is that no matter whether this bill is passed or is rejected, this situation exists.

The government expects a great deal from this legislation if it thinks that the legislation alone will correct the situation which exists. The most serious charge that can be brought against the government has nothing to do with what is in this bill; it is that they did not move immediately to establish the right of free movement of farm products across Canada and to any market in Canada.

Some hon. Members: Hear, hear!

Mr. Gleave: I said this in committee when we first met to consider Bill C-176. The government's lack of action and its lack of concern for action has been the cause of much of the fear that has been engendered in the country. I have seen some advertisements similar to the one the minister spoke of. They reflect the fear to which I allude. Those remarks are by the way; I am merely alluding to the circumstances under which this bill has come forward for consideration.

I think that at least the federal government should associate itself actively with the undertaking which the government of Manitoba has under way to bring this matter before the Supreme Court. This government ought to offer assistance to the government of Manitoba and leave no doubt that they are concerned about establishing the right of farm products to move freely back and forth across this country. Unless that right is established I have grave doubts whether this legislation will be able to accomplish what is hoped of it.

This is enabling legislation. The amendments before us, if passed, would probably restrict the legislation to some extent or make it less effective than it otherwise might be. My thought is that if we are to have such legislation, let it be effective and workable. If it is not, it will hold out a hope of effectiveness to participating producers which does not and will not exist. If we do not want to pass effective legislation, it would be much better for us not to pass any legislation. If we do not want to give the producer a vehicle that will work, it would be much better if we were to give him no vehicle at all. At the same time we must establish a climate, if we want the legislation to work, in which it can and will work.

Mr. Speaker, when I have listened to arguments on this subject I have sometimes concluded that some people think that farm marketing legislation is a brand new idea. The farm organizations of this country, the Federation of Agriculture and the National Farmers Union, have asked for national marketing legislation for years. I can show you briefs which they submitted to the government, and you will find such requests in those briefs. The first legislation to establish marketing boards was passed in the 1930s. At that time there was a different government than now sits in this House. Further legislation was passed by a succeeding federal government. Perhaps enabling legislation is not the correct term, but it permitted a sharing of power with the provinces. It was passed by a forerunner of the present government.

• (4:40 p.m.)

The legislation now on the books of provincial governments was probably passed, amended or changed by governments of every stripe and political hue that we have had in Canada. I find it strange that it should come as a great shock that we are asked to consider this type of legislation, since the principles are not new. In the final analysis, this is the government's legislation. They are responsible to see that it is effective legislation and to establish a climate in which it can work. One reason why we had some difficulty with this bill is that it was not well-drawn in the first instance. It did not provide for sufficient participation by the producers on the regulato-

ry bodies. Much of that has been corrected by the members of the committee, including opposition members.

I wish to deal with the protection or lack of protection which it will or will not give to the producers. As the bill has been changed and amended, there are plenty of safeguards. It is abundantly clear that in the case of each product the majority of producers have to be in favour before an agency can be established. That is an important point. It is important because we were asked to accept certain exclusions that we did not accept. If there are no exclusions we must be sure that the producers of a given product who do not want to come under the act will not be forced to accept an agency. One of the shortcomings of the legislation is that it does not deal adequately with ensuring income to the producer. There are at least two amendments to come before the House which will deal with that question. This legislation should concern itself with income.

The basic approach of the provincial legislation both when it was established and throughout the years was that the provincial agencies would be bargaining agencies designed to achieve a fair, reasonable or adequate market price and income return for the producer. That is the basic approach. One of the failures in this bill is that there is no stated concern about farm income. By inference, this is left to the agricultural prices support legislation which we have on the books. With regard to many farm products, this is inadequate and is not administered effectively.

Hon. members have repeatedly asked why the prices support act is not used to assist farmers who are in considerable difficulty because of the present low prices for hogs and other farm products. If the Agricultural Prices Support Act is not going to be effectively used to protect the farm income position, we should consider ways and means of doing it through this bill.

The position of the provinces with regard to this bill is not one of total unanimity or of total disagreement. I know one province which changed its position while this bill was being considered. This was a public move. I do not know what has been said to the minister behind closed doors or what opinions have been privately expressed by the provinces. When this bill is passed, it will be permissive for the provinces and producers. Those provinces which in their wisdom do not choose to use it with regard to certain products will not have to do so. By the same token, if the producers of eggs, hogs, apples, potatoes or cattle consider that this type of legislation is not of use to them, they will not be required to use it.

If they consider that the marketing system which they have is adequate and they can live in the same manner as the producers of hogs in my province are attempting to do with $19 hogs, it will be their right to do so. As free citizens of Canada, they will be able to continue in that manner because this bill will not force them to do anything else. We must keep this in mind.

I have reservations which can be dealt with by further amendments which we intend to move. We hope they will be considered and accepted by this House. They would make the bill a more effective instrument and make it possible for farmers to use it more effectively. The first order of business of a Parliament should be to ensure that products move freely and have access to the markets across Canada. If that is done, this should be a workable instrument. There should not be any coercion. Farmers and producers should have the right to either use or not to use this legislation. They should have free access to the markets in Canada as well as those outside Canada. When marketing farm produce we should have available all the markets we can find. We should not approach the marketing of farm produce from a restrictive point of view but from an expansionary point of view.

Representatives of the Dairy Commission appeared before the standing committee yesterday. They were asked whether they were taking advantage of the present market for powdered milk which appears as though it might be expanded. In our agricultural production we should not have a policy which will box us into the Canadian market. After all, this country has only 20 million people. Our agencies, whether privately or publicly-owned, should provide an opportunity to expand into other markets so that we can use the available agricultural resources in terms of people, land, know-how and ability to produce. Our over-all policy should be one which is outward-looking.

It would be a mistake to consider this bill as a restrictive instrument. Our approach should be that this is an instrument which will enable us to more effectively market our products and exploit all markets that may be available to us both domestically and overseas.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, the bill under study, Bill C-176, supersedes Bill C-197 which having been discussed at length prior to the adjournment of the previous session, comes back to this House under a new form but with the same basic principles. It was then a highly controversial bill and some people were in favour of it while others were dead set against it, but all these points of view were from the producers or farm associations concerned.

During this session this bill has been discussed at some considerable length. The House asked the Committee on Agriculture to travel across the country and consult provincial agriculture ministers and hear the views of the various farm organizations.

I was really amazed at the continuing interest for all our sittings, be it in eastern, central or western Canada. I am convinced that each member of the Standing Committee on Agriculture worked very seriously. We all had the purpose of collecting information so as to be able to provide farmers with a helpful piece of legislation, while preserving the interest of consumers and agencies concerned with the trade of agricultural production.

At the same time, Mr. Speaker, at the provincial level, in Nova Scotia, for instance, the Minister of Agriculture expressed the views of his government in a very extensive brief. I could summarize the minister's attitude by

quoting the following sentence from Committee Proceedings No. 11, of Thursday, January 21, 1971:

Our chief concern, however, is with the wider implications of the Bill. We recognize that this is enabling legislation and that it must be of a general nature. Yet it seems to us that the Bill is raising almost as many problems as it is attempting to resolve.

Mr. Speaker, that was the opinion of a minister from Eastern Canada. Now coming to central Canada, we have the provincial minister of agriculture who said the following in his brief on January 22, 1971 and I quote:

—and the effects, whether they are favourable or not—

—of the act, following the passing of Bill C-176—

—whether they are favourable or not, according to the point of view of the people affected, or according to what you expect from it, means that in the field of Agriculture, in the province of Quebec and elsewhere it will call for reactions which are as varied as the various vested interests involved and which tend to develop in this very important sector of our economy.

I continue the quotation:

In the face of these various different stands, not only different but often contradictory, the Department of Agriculture of the province of Quebec hesitates to put itself in the position of an arbiter because circumstances do not justify such a role.

Further on, the minister added:

However, Quebec does not feel that this Bill C-176 will *ipso facto*, just by being put into effect, bring an automatic solution. This solution can only be brought about after frank and open discussions between the provinces directly involved and can only be applied, if the provinces are willing to agree to the sacrifice of certain special interests for the general welfare of Canadian agriculture.

For the past months the situation in Canada has been truly disastrous. For example, we see the Ontario government passing legislation to protect producers in that province while seriously harming those of other provinces.

I am under the impression that the situation, far from improving, will, if I am well informed, be getting worse. In fact, I am apprehensive about the future of Canada should such a situation persist and I doubt that Bill C-176 can really represent a completely adequate solution.

• (5:00 p.m.)

I do not mean that Bill C-176 is not an appropriate tool to start discussions and to correct a situation which should be improved, but we must not forget that, in the end, the farmers' only objective is to put their products on the Canadian market in order to meet the producers' needs and to receive a fair reward for their work.

It does not matter much whether butter produced in Quebec is sold in Vancouver, Edmonton or Regina, as long as the producer receives a retribution for his work. That the pound of beef produced at Edmonton or Regina should be sold in Montreal, Quebec or Toronto matters little as long as the producer is paid for his work.

I think it is necessary first to consider things from both the national and the regional point of view. Unfortunately, as a committee member I could notice during the trip that the tendency was to think on a regional rather than on a national basis.

Marketing councils will be able to establish marketing agencies upon request from the majority of interested producers. These agencies will evidently be able to operate if there are provincial agreements, agreements which could be quickly negotiated if there is good will and if everybody sees the possibility of helping producers all across the country.

If such marketing agencies are contested, discussed and their case brought before courts, who is going to pay for all this which is going from bad to worse? It will still be the producers. Who is going to suffer the consequences? The consumers!

That is why I deplore the fact the the marketing council does not have the required powers to negotiate in an intelligent manner. In the end, however, there must always be some authority having the power to decide, to settle the question.

Having studied all the briefs submitted to them, the members of the committee came back to Ottawa and sat for long hours trying to put down on paper the amendments suggested in order to make this legislation as perfect as possible.

Some amendments were accepted, others were not. Maybe they will again be discussed in the House. One of them deals with the exclusion of certain products: beef and veal for instance.

If Bill C-176 is such as to help egg, poultry, wool, maple syrup or honey producers, I firmly believe that it could also help the other producers provided this is their desire.

I am gratified to see that the bill provides that a marketing agency may be established by the Marketing Council upon the request of a majority of a class of producers.

This is a safety valve. As is the case with other members, I have received representations from beef producers across the country, through their association, asking that this class of products be excluded from the bill as, according to them, they have no need for these provisions at the present time.

I am willing to believe that they are right and that this is not absolutely necessary for the time being, but at the national level we must pass legislation which will be available to all producers.

I entertain no absolute confidence in the effectiveness of this legislation, and I think that the Minister of Agriculture (Mr. Olson) is able to anticipate that its administration will be extremely difficult. A considerable amount of goodwill will be required to achieve the establishment of marketing boards that may actually operate and provide practical results that will satisfy all producers.

There is a problem, however. I have listened attentively to the minister. If I am wrong, he can correct me. I understood that he had stated that there was no question,

under this bill, of controlling production. If I remember correctly, the provisions of the bill which provide for the establishment of the boards enable these boards to issue production permits and, by the same token, to determine, if required, production quotas. I think that at the same time the bill should include a special provision to guarantee producers the prices that would enable them to get a decent income.

The problem in agriculture is always the same: we constantly struggle to get decent prices without fleecing consumers, in short, prices which will allow producers to make reasonable profits.

The bill also contains provisions to balance production volume and makret possibilities. I do not quite agree on that because market conditions are always determined by consumer purchasing power. And heaven knows it is a problem in too many families.

The real extent of the market is not known, according to surveys made by the Senate Committee on Poverty. The only way the committee may have helped the people was by determining to what extent the economic system may have prevented production from reaching the table of the consumer. In any event, there seems to be disagreement with regard to the report of the committee and rich people were certainly not found in every area of the country. Indeed, there are families that do not have exactly what they need, not only to eat but to dress decently.

That is why I say the bill will not achieve all its aims; but it will help get more agricultural produce into the stores and that will be one step ahead. One organization will enable the producers to prove that they have worked, that they produced something which the consumers can use.

Therefore, Mr. Speaker, for all those reasons, I think that we should continue to seriously consider the proposed amendments in order to find out whether there might not be one which could likely improve the bill, so that it could unite Canadians instead of dividing them. For no consideration whatever would I like hon. members to my right, who represent constituencies of other provinces, to think that our positions are those of mean Canadians who consider only their area or their province. But the fact remains that every member is conscientious enough—I am sure—to represent honestly and properly his constituency, his electors and to follow up on the representations made to him.

• (5:10 p.m.)

I would not like it to be said that because the province of Quebec supports the best provisions of this bill, it regards the bill as perfect. That is not what I mean. Even if only 50 per cent of the provisions of the bill were good, we should use them and later on improve the legislation so as to really reach its objective, namely to put all farm products on the national market so as to make them available to the Canadian people.

As I already said, I think it is extremely regrettable that this bill does not include a provision enabling those marketing boards to channel in the same way all the products that will be imported from other countries.

[Mr. Lambert (Bellechasse).]

I see that an amendment in this regard has been put on the order paper. A few moments ago, the Minister of Agriculture mentioned it and said that other agencies and departments were sharing this responsibility and that we should not multiply the number of agencies in the same field.

I submit that it does not amount to multiplying the agencies. They could remain under the authority of the Department of Industry, Trade and Commerce but with the possibility for the marketing boards to demonstrate that they are acting in a relevant way when they grant import licences for some farm products which are in direct competition with Canadian products.

I am well aware that there is presently such a possibility of control by the Department of Industry, Trade and Commerce but God knows how difficult it is to have this legislation applied, these restrictions enforced when it is necessary. We had to make representations to our farm organizations. Federated Co-op had to take action several times to draw the attention of the authorities on a particular field so as to give fair protection to Canadian farmers. For this reason, I hoped the bill would have contained a provision to regulate the activities of people engaged in international trade with a view to profits only and not as a service to the community.

This form of trade must be regulated in an intelligent way so as to allow farmers to fulfill the objectives spelled out in the bill, namely to give farmers the possibility of living decently.

[*English*]

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, I listened to the Minister of Agriculture (Mr. Olson) with a great deal of interest. I was disappointed in that I felt he might have spent less time dealing with the picayune matter of an advertisement in a newspaper and more time defending the reasons for the government's adopting the measures in this bill. This is one of the most important bills to be dealt with by the Committee on Agriculture in the last 50 years.

In the short time allotted to me I should like to deal with the necessity of the amendments to this legislation. As you are aware, we in the province of Ontario are familiar with marketing schemes, agencies and marketing commissions. A number of marketing operations and bodies are now operative in this province as in other regions of Canada. The reason is very simple. One of the earliest marketing schemes was started in my own riding, in Chatham, Ontario. Similar schemes were commenced many years ago in the province of British Columbia. We are very familiar with this type of operation, as they are in the province of Quebec and in most provinces where marketing schemes exist to varying degrees.

A previous speaker stated that the concept of national marketing legislation is not new. For many years successful marketing boards have been working for the betterment of the farm community in their local or regional areas. These people naturally felt there was no reason why this proposal, if extended nationally, should not work to the benefit of a great many more engaged in the production of agricultural products. This is not a new

concept. When this legislation was introduced it received a great deal of approval in the provinces of Ontario, Quebec, British Columbia and other regions of Canada where marketing agencies are operative. Once this matter was brought before Parliament with the concept that the federal government would enter the field, the idea began to percolate in the agricultural communities of Canada. As a result, a great deal of concern has developed in these communities.

Let me point out why I feel there has been tremendous concern and an abrupt change in attitude on the part of many toward this bill in its present form. In the production of any commodity there is not, and never will be, total support for a marketing scheme. Some people feel such a scheme is not in the interests of the primary producer. Perhaps the majority feel that it is in their interests. As a result, we have in every province, region and community a nucleus of people who believe in free enterprise and that mandatory marketing legislation is not in the common interest.

Let us also consider what is happening in respect of this legislation. Producers in Ontario and other regions of Canada are concerned about the government bringing in an omnibus bill. The bill before us is such a bill. Its concept is based on the fact that all agricultural products in all areas of Canada should be covered. The bill itself speaks not only of primary products but any portion or any manufactured part of a primary product. This is certainly an omnibus concept.

The minister said in his speech that nowhere does this bill indicate there should be production control. I cannot agree with his interpretation. Let me put on record why the majority of producers in Canada cannot agree with this assertion. Over and over again the minister and this government have stated that the bill is patterned on provincial legislation which gives production control. They have pointed to the Canadian Wheat Board and the National Dairy Council as prime examples of how this concept can work. Anyone who is familiar with agriculture knows that the Canadian Wheat Board and the National Dairy Council are based on the concept of production control and supply management. For the government to suggest now that nowhere implicit in this bill is such a provision is, to say the least, misleading.

Let us consider what has happened in respect of the Dairy Commission. It was set up to protect dairy interests in Canada. We find that small enterprises have been forced out and that it is almost impossible for new farmers to get into this business. An apt description of what is taking place as a result of such legislation is that large producers are placed in a comfortable position, protected against encroachment by government regulation. Another grave concern in Ontario relates to the provision in this bill which makes it possible for the government to delegate provincial authority to national marketing agencies and the federal authority. It is expected that the two working together in harmony and within the democratic process will bring about the hoped-for adjustments. But this is immediately eroded by the fact that the minister in his explanation left the impression that the provincial authority is delegated only perhaps by negotiation and that it is within the purview of the provinces to opt out of the measure entirely or on a commodity by commodity basis. I think this is a major weakness.

• (5:20 p.m.)

The second major weakness is that no import control is inherent in this legislation. It is all very well for the minister to say we do not need it in legislation of this type because it is inherent in other legislation which is available to the government and that therefore there would be duplication. In respect of the practical application of marketing schemes already in existence in Canada, we see that every time an application is made to the government for import control either it is not granted or the delay is of such a nature that it becomes almost impossible to make a profitable sale of the commodity in question.

A prime example of this arose in the House yesterday when the hon. member for British Columbia, a proponent of this bill, criticized his own government because there was no import control on strawberries coming into his province. This shows why import control is absolutely necessary. I join with my colleague in the allegation that this bill will not, and cannot, solve the problem of interprovincial trade and the restrictions we now face, because the only tool it has is negotiation. As the minister has indicated, it will provide a forum for negotiation of differences. There is no legal way under Bill C-176 in which there can be a determination or real assessment of the problem facing the provinces. So I agree with my colleague that the only way in which this matter can be solved is by reference to the Supreme Court. I agree with him that a proper assessment of Bill C-176 is not possible until we know the decision of the Supreme Court, because if the decision should be what we expect it to be, then the terms and provisions set out in this bill will not be applicable.

Another matter which is very upsetting to me and to others who are familiar with the workings of marketing agencies and the way in which they provide aid to primary producers is that during the committee hearings, while listening to the government's defence of its own bill it became readily discernible that the government is more concerned about control over agriculture than with providing a democratic method of supply-marketing in a regular fashion.

I think we will find that the major difference between this measure and a provincial measure is that there is not spelled out in this bill the basis for the success of such schemes in the provincial field. It is all very well for the minister to state that there will be a democratic process and that the majority of the primary producers of any commodity will have to solicit the government in order to be placed under the terms of the legislation, but that is only half the story because the reverse is not equally true. If the primary producers should find that rather than being of benefit to their industry it is a detriment, then there is no provision for a plebescite or any other means of adopting a negative approach to the bill so that such an agency could be disbanded. This is a basic weakness as between the federal and provincial legislation.

Over and over again the minister has emphasized that this is a democratic approach and this will not be done unless the majority of producers wish it. I maintain that the minister immediately loses his credibility, because there is no doubt in anyone's mind that the majority of cattlemen in this country do not wish to come under the provisions of this measure. They have said so over and over again. They want no part of it.

Mr. Speaker, the government is interested in only one thing. It is interested in bringing a bill before the House in a manner which includes cattlemen whether or not they wish it. It is all very well for the minister to say they are only being brought under the umbrella of this bill and that it will not be implemented so far as cattlemen are concerned unless they wish it. What bothers me is that in the terms of this bill we are giving tremendous authority to public servants who are answerable only to the minister and this House. I am concerned that this measure is of such importance that if we should be wrong it could mean the economic ruin of hundreds and hundreds of farmers in this country.

I do not hold a brief for those who moan and whine about the length of time spent on this matter by the House and the committee, because if in our deliberations we can amend the bill in such a way that we save only one farmer from bankruptcy then in my opinion the time will have been well spent. If we make a mistake it could take years to bring in an amendment in order to redress the wrong, especially when we see the degree of esteem in which this government holds the farming community of Canada.

We must look at this bill very carefully. We will have to amend it in order that it can be operative and can solve the various problems facing Canada today. I am terribly disturbed that we have not been able to obtain a Supreme Court ruling on the very cornerstone of this bill before we are asked to give it final passage. This is major legislation.

I am very sorry the minister did not adopt a more moderate course in dealing with something which primary producers across the country have wanted for many years. I had hoped the minister would bring in a measure of national scope as he did in respect of the dairy industry and as was done in respect of the wheat industry.

If the government had brought in such legislation for the poultry industry, which dearly wanted it, it would have received rapid passage through the House. If such legislation had been brought in and operated successfully, then the other commodity groups would have been lining up at the minister's door demanding similar legislation. The minister did not do that. He is trying to bring it in all at once to cover a tremendous number of commodities and regions. This involves many different personalties and ten different governments. In my opinion it will be impossible to achieve rapid implementation of this measure once it is passed, because the problem of interprovincial barriers is growing each and every day and is becoming more and more ominous. I think it is misleading for the minister to say that this measure will settle the problem. Even if it did provide a solution, I submit it would take a minimum of 12 months to draft all the regulations and negotiate them with the provinces. I have no hesitation in supporting the amendments proposed by my colleague.

• (5:30 p.m.)

Mr. Cliff Downey (Battle River): Mr. Speaker, I have great pleasure in speaking in this debate, not so much because of the content of the bill but because I wish to point out to the thinking people in this country what will be the effect if this measure is passed. I believe that the result will be a disaster. The bill was first introduced a year or so ago as Bill C-197. At that time the standing committee heard many witnesses. There was a general rejection of what that bill encompassed and we rather suspected that after it died on the Order Paper last June, on being reintroduced it would be redrafted and contain many improvements. It was very disheartening to see it come forward in this form.

The suggestion was made that this bill is a product of the Minister of Agriculture (Mr. Olson) and he has received a great deal of the blame for it. It was pointed out earlier today that much of the thought behind the bill originated with the Prime Minister (Mr. Trudeau) and that he elaborated on it in a speech at Winnipeg on June 2, 1968. In other words, the bill was not proposed by anyone with an agricultural background but by what you might call a playboy from Westmount, a world traveller from Westmount. When you read the bill you can easily see that this was the case. To substantiate that statement I quote from the speech he delivered in Winnipeg on June 2, 1968, as follows:

> In order to meet the difficulties of divided jurisdiction in the area of marketing of agricultural products, the government would undertake to raise for discussion with the provinces the possibility of providing over-all authority for the marketing of agricultural products as a federal responsibility.

That statement was made before the members of the present government knew they would be appointed to the positions they hold. I want to make it abundantly clear that the thought behind the bill did not come from the agricultural community. Marketing boards are not the main thrust of the bill. The main thrust will be restricted provincial trade policies and government control—nothing more and nothing less. The Minister of Agriculture has made many speeches to the effect that this bill is what we need. We will all wait with baited breath to see if the bill, when proclaimed, will solve the interprovincial trade situation, the so-called chicken and egg wars which have been developing and have given rise to increasing trade restrictions between provinces.

As has been so well pointed out by the hon. member for Crowfoot (Mr. Horner) and by the hon. member for Kent-Essex (Mr. Danforth), in reality the whole situation boils down to a decision that should have been made by the Supreme Court. In reality we are wasting our time in this debate in the House. Time and time again members of the government rise and say, "We must get this legislation through, or that legislation through. We are in a

hurry; we are short of time." Then why, Mr. Speaker, are we wasting our time debating this matter now, when it is a matter to be decided by the Supreme Court of Canada?

I heard a very prominent judge say that this will be the most important decision made by the Supreme Court of Canada in the last 50 years. I would say it could probably be the most important decision ever made by the Supreme Court, since confederation itself may hinge on the decision. The decision, in effect, may be on whether Canada is in reality a nation, or ten nations. If the decision is made that there should not be free trade between the provinces of Canada, then the die will be cast, separatism will spread and we will truly become ten nations. But if the Supreme Court decision is to the effect that there should be free trade between the provinces, this bill will mean nothing and the agencies or boards set up under it will mean nothing. However, if the Supreme Court decision goes the other way, in effect saying that each province is a separate nation, we will need something resembling an interprovincial GATT agreement and the provision in this bill giving provinces the right to opt out of any arrangement will mean nothing. In effect each province will have to become part of an over-all agency in order to get part of a national quota. Some provinces may set up barriers against the importation of goods from other areas.

• (5:40 p.m.)

We could very well run into a situation in the western provinces, where they do not have the people to consume the goods they produce and rely on the export of their farm products, where they would set up barriers to the high-priced industrial goods they have been bringing in from other parts of Canada. They could start looking to places like Japan and the U.S. and make their own international trading arrangements.

On many occasions the minister has made light of the fact that we need this bill to create another forum for consultation wherein the provinces can get together and discuss these trade arrangements and agencies. But we have all the forums we need now, and there is nothing to stop the ministers getting together. The creation of one more forum to solve the matter of interprovincial trade is only a joke. There are the federal-provincial conferences with ample opportunities for provincial ministers to get together. The argument that this bill will set up another forum is only a red herring and has no value at all.

The Supreme Court ruling which will be handed down probably toward the end of next month will be one of the most important decisions made since confederation. It will be the deciding factor on the way in which Canada will go. We have had many divisive pieces of legislation from this government. I think the official languages bill has been most divisive and this is substantiated every day. But no legislation has ever been brought forward that will be as divisive and detrimental to this nation as the bill before us.

To return to the matter of another forum for consultation, I think this is just idealism. In this regard I should like to quote from the *Minutes of Proceedings and Evidence* of the Standing Committee on Agriculture when that committee met in Halifax on January 21, 1971. In answer to a question, Mr. Callahan, the Minister of Agriculture for Newfoundland, said:

> Mr. Chairman, in the first instance I do not agree that the provinces are agreed on this bill. They are not. So far as I am aware, no province has come out and said, "We agree with this legislation", and I have already indicated that at a full meeting of the ministers six months ago—and I have quoted from the proceedings of that meeting—there was a consensus which, as I have said, is the lowest form of opinion, which seriously questions vital aspects of the bill, so I do not agree that the provinces are asking for this. I know what they have been asking for. I have been among them and I know what we have asked for.

If this is the way some provincial ministers see the bill, how can any new forum created under this bill sweep that away and make everything glorious and fine and create a wonderful agreement on the question of provincial trade? I do not think anyone here who truly represents agriculture would not support the bill if they could see that it provides one extra dollar for the producer. Where is there anything in the bill about pricing or giving producers more money in their pockets?

We repeatedly saw amendments turned down in committee. I recall an amendment to put the word "viable" into the clauses to replace the words "efficient and competitive", but the latter phrase was chosen. This would mean just another cheap food policy. Time and time again we have heard the word "efficient" used in regard to business where it generally means a greater profit margin, but as it relates to agriculture it can only mean a cheap food policy.

Some hon. Members: Hear, hear!

Mr. Downey: We were given no assurance that the word "competitive" does not mean competitive with another country. What are we to be competitive with—Mexican tomatoes, Australian beef? The terminology of the bill gives no assurance that this would not be the type of competition producers would have to face.

I think the most ridiculous concept of this bill has been the matter of controlled production, though quite a few people may not be in agreement with this. However, I think anyone could and should be ridiculed for bringing forth control of production without control of imports. This is one of the most ridiculous assumptions ever made. Surely the minister would not try to implant in the minds of the farmers that their standard of living could be raised by controlling production and granting licences to farm with no mention at all of imports.

The apple growers and beef producers appeared before the committee. I recall that the apple growers of Nova Scotia and British Columbia said they had no problems and did not need this bill, that the only thing they

suffered from was imports because they had to leave their apples under the trees; it was too expensive to pick them. They questioned how it was proposed to raise the income of farmers without doing anything in this regard. The amendment was moved in committee on several occasions. It is the same type of amendment that has been written into other bills such as the textile bill, where a product was protected—but it was turned down in regard to agriculture.

Initially this bill contained clauses which ensured that the interests of consumers would be looked after before the interests of producers. I supposed that this was an agricultural bill brought forward by the Department of Agriculture to look after the interests of farmers, yet its language suggests that consumers are to be placed on a higher level than producers.

• (5:50 p.m.)

Controlling production without controlling imports simply means that the government will have the right to set the price of agricultural products. It will be able to perpetuate a cheap food policy in this country by allowing imports in or by shutting them off at will. If the price of a commodity rises to a level at which farmers can survive if they produce it, the government can simply import that commodity and control or lower its price. That is what is done with beef. For one month in 12, Canadians eat beef produced in Australia. The minister has been questioned about this in the House and has said, "Well, the need is there. We do not have the beef available." You do not mean to tell me that if beef was not brought in people would not buy Canadian beef that is already on shop shelves, and thus raise the price to the level that beef producers ought to get. Why, back in 1952, 18 years ago, beef prices were higher than today. You can imagine what the costs of production were 18 years ago. Look at the current prices of machinery and at the costs of labour.

The Acting Speaker (Mr. Richard): Order, please. I must advise the hon. member that his time has expired.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, it is my pleasure to make some remarks on the amendments proposed by the hon. member for Crowfoot (Mr. Horner), namely amendments Nos 1, 5, and 22 which deal with certain implications of Bill C-176.

As members of the committee, we have travelled throughout Canada from Halifax to Vancouver and found that producer associations, mainly primary producers, were seriously worried. As for the bill, Primary producers are sceptical about the bill because most of them throughout Canada are used to work on their own.

A farmer wants to be his own boss. He wants to sell his products himself and be the master of his production and his prices. He also wants in all regards to be the master of his future.

I think that with the passing of Bill C-176, the producer will no longer be his own boss. He will have to think in a different way, to act in a different way and also to decide his future in a different way.

Particularly when we visited Ontario, we found that many producer associations were concerned about the implications of Bill C-176. In the course of our trip, we met 78 producer associations, 90 per cent of which grouped primary producers.

I should like to call the attention of hon. members on the most frequent questions raised in the briefs that were presented to us respecting the producers' concern. They asked: Who will control imports? Who will control the boards? Who will pay the administrative costs? Will some provinces be allowed to withdraw from the marketing agencies? Can such a system generate local favoritism? Will the farmer or the producer take the decisions within the marketing agencies? Will the producer be entitled to prosper at an equal rate in all provinces? Will the rights already secured under the British North America Act be more or less diluted by this bill? Will the farmer now have to decide or negotiate on quotas? Are the quotas transferable? Will all farm products be regulated by a quota system?

All these questions were put to us by farming groups. Many were in favour of the proposed measures; however, almost everybody agreed on the implications of the bill, though mildly. Almost all expressed the wish that their member should move amendments to the bill.

In committee, 29 amendments were proposed. Some were approved and others were rejected. However, I believe that all of them would be essential for friendly understanding between the producers from the various provinces.

We are sorry, indeed, to see that some provincial governments, namely the Ontario government, have already placed an embargo on Quebec products.

We know a bill like this one is necessary to put an end to this type of thing. But before approving it on third reading, I feel we should give it further thought.

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

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Bell: Mr. Speaker, could the government House leader tell us what business the House will consider tomorrow?

Mr. MacEachen: Mr. Speaker, I would advise the House that tomorrow we propose to call second reading of the bill to amend the Senate and House of Commons Act.

Mr. Knowles (Winnipeg North Centre): Isn't that a bit hasty?

[*Translation*]

Mr. Fortin: Mr. Speaker, on a point of order.

I would like to ask the President of the Privy Council (Mr. MacEachen) whether when introducing his proposed legislation tomorrow he intends to establish the government policy concerning the services related to that legislation.

[*English*]

Mr. MacEachen: Yes, Mr. Speaker. I will be making a statement on the bill and on matters related thereto.

Business of the House

[*Translation*]

The Acting Speaker (Mr. Richard): I was thinking this evening that Parliament seems at times to operate slowly, but I believe that hon. members are hard-working, patient, confident and optimistic. I therefore wish them good night, and may their projects of today become the realities of tomorrow.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Thursday, April 29, 1971

The House met at 2 p.m.

PRIVILEGE

MR. HOWARD (SKEENA)—RIGHT OF MEMBERS TO VISIT PENITENTIARIES

Mr. Frank Howard (Skeena): Mr. Speaker, I should like to rise on a question of privilege that affects the House and all members. By way of a preliminary perhaps I ought to say that yesterday the hon. member for Broadview, the hon. member for Moose Jaw, the hon. member for Timiskaming and I took the occasion to visit Millhaven penitentiary, which has received some publicity lately. When we arrived we were received with cordiality and friendliness by the warden and deputy warden, who were in no way hesitant about our right to visit the institution during reasonable hours of the day. Actually, I understand that there are some internal memos within the department on the matter which indicate that Members of Parliament may receive courtesies and opportunities not available to anybody else.

It has been a longstanding British tradition going back to long before Canada was founded and it has been a Canadian tradition as well that Members of Parliament, as the elected representatives of the public, should have the right to have access to those areas where the public invests its money in order to determine matters involving administration and also to assist in developing public policy relating to penitentiaries as a result of their understanding of the situation concerning penitentiaries. Thus they can assist in developing public policy. Such visits in the past have certainly brought about a greater appreciation of the desire and need to make changes in the penitentiary system.

• (2:10 p.m.)

After about three and a half or four hours in the institution and at a time when we were speaking with one of the inmates in Millhaven, there was an interruption by the warden who carried with him the following message:

> The minister has asked me through the Deputy Commissioner that the M.P.'s be asked to leave the institute right away. A legal opinion has been obtained that they have no statutory right to be in the institute. The minister's request is made because the whole matter is under review by a commission of inquiry and also because of a police investigation into a murder.

I assume that was the Solicitor General (Mr. Goyer). There was no indication that it was any other minister, and penitentiaries come under the jurisdiction of the Solicitor General.

The phrase in that message about a legal opinion having been obtained with regard to the statutory right of members to visit such institutions is in reality a subterfuge. In activities of this sort, and I hope the Solicitor General feels this way, we should not be concerned about legal opinions but about moral rights and obligations.

Some hon. Members: Hear, hear!

Mr. Howard (Skeena): Although this is not directly a part of the question of privilege, the reference in the message to the matter being under review by a commission of inquiry and about a police investigation into a murder is somewhat offensive in that it implies that we may have been intent upon impeding or in fact were impeding either of these inquiries. Such is not the case.

Members of Parliament are the elected representatives of the public. In that sense they have certain rights and privileges that are not available to other citizens. In the pursuit of their duties and obligations they have an obligation to visit areas where public money is being expended. There should be no consideration on the part of the cabinet of interference in the normal course of events with those examinations and studies, especially by one who has so little sensitivity to British and Canadian traditions in this field. It is the right of Parliament and Members of Parliament to review the administration of the cabinet. It is not a right of the cabinet to abrogate that review.

Some hon. Members: Hear, hear!

Mr. Howard (Skeena): It is not only a traditional right but at one time in our Canadian statutes it was in fact a statutory right. Prior to the session of 1960-61 the Penitentiary Act contained a provision in section 45 which read as follows:

> The following persons may visit any penitentiary during business hours, that is to say—

Then it lists a number, including the Governor General of Canada and "any member of the Parliament of Canada".

When the Penitentiary Act was revised in 1960-61 the Hon. Davie Fulton was Minister of Justice and the right hon. member for Prince Albert (Mr. Diefenbaker) was Prime Minister. The point was raised about leaving out of the proposed new Penitentiary Act the provision containing the right of Members of Parliament to visit penitentiaries during business hours. We were assured by the then Minister of Justice that this action had the endorsement and approval of the then Prime Minister. He said that it was considered appropriate because of the legal construction of statute law not to have that provision carried forward into the new act but that it would be contained within the regulations and that there would not be any interference with that particular right. This has been the course followed by every warden of every penitentiary which has ever been visited since that time by any Member of Parliament; they have respected the

right of Members of Parliament to inquire into and visit these institutions in the course of their obligations.

I consider the action on the part of the Solicitor General—I am commenting on the basis of the information given to us by the warden; if that information is incorrect, then, of course, I am in error, but there is no reason to think so—to be highly affronting to the privileges of this House, highly affronting to the general public and an abrogation of a privilege which is basic in character. Parliament must always be very jealous of its rights, because the preservation of these rights is directly connected with its ability to carry out its duties and responsibilities. Particularly in areas such as penitentiaries where the general public is denied the right and the opportunity to visit and see what is happening, it is even more important in the public interest that the public should have knowledge about the administration of penitentiaries, both in terms of their proper administration and of influencing public policy. Every time Parliament loses a right it loses part of the freedom of this nation in the process.

Without going further into the matter, let me say I believe there is a prima facie question of privilege. If, in Your Honour's estimation, this is the case, I would move, seconded by the hon. member for Broadview (Mr. Gilbert):

That the matter of the right of Members of this House to visit penitentiaries under the jurisdiction of the Parliament of Canada during business hours be referred to the Standing Committee on Privileges and Elections.

Some hon. Members: Hear, hear!

Mr. Speaker: If there is to be no reply to the suggestion made by the hon. member for Skeena I am prepared to express an opinion on whether there is a prima facie case of privilege in the circumstances alluded to by the hon. member for Skeena. He has, of course, given the Chair the required notice and that has afforded the Chair an opportunity to reflect on the situation and to consider whether there is, indeed, a prima facie case of privilege involved.

The hon. member suggests that the refusal on the part of the government, or of a representative of the government, or of the Solicitor General to allow him access to a penitentiary constitutes a breach of the parliamentary privileges. The question to be determined is, whether included in the rights and privileges belonging to the House and to its members individually is a right or a privilege to visit certain institutions, including penitentiaries.

On a number of occasions I have defined what I consider to be parliamentary privilege. Privilege is that which sets hon. members apart from other citizens giving them rights which the public do not possess. I suggest we should be careful in construing any particular circumstance which might add to the privileges which have been recognized over the years and perhaps over the centuries as belonging to members of the House of Commons. In my view, parliamentary privilege does not go much beyond the right of free speech in the House of Commons and the right of a member to discharge his

duties in the House as a member of the House of Commons. It seems to me that the fact that the Penitentiary Act in the past, until 1961 I believe, did provide for a right on the part of members to make visits is an indication that if it were part of parliamentary privilege, it would not have been included in the statutes.

• (2:20 p.m.)

Mr. Peters: That is why it was taken out.

Mr. Speaker: The hon. member for Timiskaming suggests that this is why it was taken out, but there is nothing anywhere it seems to me which will indicate that is the reason for removing that provision.

I suggest to hon. members that if there is cause for complaint it ought to be in the form of a grievance against the minister or against the government. I would hesitate very much to suggest to hon. members that there is included as part of our special rights as members of this House the right to visit certain institutions, including penitentiaries. The hon. member says that this right does apply to penitentiaries but he has not said what other institutions might be covered by this suggested special right. I do not think that our special privileges should be deemed, construed and interpreted as including that particular right.

I recognize that there is a very special problem here. It seems to me that if there is not a question of privilege, as I am inclined to conclude, there is a problem which might very well be considered by the House in some other way or form, but it seems to me that the motion proposed by the hon. member is in the form of a substantive motion rather than a question of privilege. He has suggested that a very important problem, which has been brought to the fore by the fact that he and other of his colleagues in the House of Commons have been denied what they consider to be a traditional right, and the question should be investigated. It is my thought that the matter might be looked into not under the guise or cover of a question of privilege but perhaps by or as a result of a substantive motion.

I fully recognized the importance of the matter and the seriousness of the situation brought to the fore by the hon. member. I would hope it might be cleared up in one way or another, but it should not be dealt with through the agency of a question of privilege.

[*Translation*]

MR. LAPRISE—CORRECTION OF STATEMENT BY PARLIAMENTARY SECRETARY TO SECRETARY OF STATE FOR EXTERNAL AFFAIRS

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I am rising on a question of privilege to set the record straight concerning an erroneous and misleading statement made by the Parliamentary Secretary to the Secretary of State for External Affairs (Mr. Ouellet), before the Sherbrooke Optimist Club, last Monday, April 26, 1971, when he said, and I quote the newspaper *La Tribune*:

—the position of the Créditistes is most regrettable. He called the latter mean, miserly and heartless because they object to

Canada's allotting 0.5 per cent of its gross national product to ease the misery of the third world's 2 billion inhabitants.

Mr. Speaker, this statement which has been made by a public figure, is erroneous and misleading, since the members of the Ralliement créditiste did not object to assistance being given to underdeveloped countries, but they even requested the same privileges and considerations for our provincial and municipal governments.

I wanted to set the facts in their true light, Mr. Speaker.

Mr. Speaker: The hon. member for Abitibi has given the Chair notice of the question he wanted to raise. As he is not moving a motion in the House, it may not be necessary for me to express an opinion as to the merits of the question of privilege raised by him.

Nevertheless I may perhaps refer the hon. member to Citation No. 113 of Beauchesne's Parliamentary Rules and Forms, Fourth Edition, which states as follows:

—a dispute arising between two members, as to allegations of facts, does not fulfil the conditions of parliamentary privilege.

And elsewhere, it says:

A question of privilege ought rarely to come up in Parliament.

I do not want to repeat my remarks with regard to the question of privilege raised by the hon. member for Skeena (Mr. Howard). What I said then applies, to a certain extent, to the circumstances mentioned by the hon. member. I have come to the conclusion that there is no prima facie case of privilege; therefore, no motion can be considered.

ROUTINE PROCEEDINGS

THE MINISTRY

TABLING OF LETTER OF RESIGNATION OF MINISTER OF COMMUNICATIONS

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I wish to inform the House that I have received a letter of resignation, as a member of the government, from the Hon. Eric Kierans, Minister of Communications, and that I have recommended to the Governor General that it be accepted.

[*English*]

The Acting Minister of Communications will be the Minister without Portfolio, the hon. member for Longueuil (Mr. Côté).

Under Standing Order 41(2) I wish to table the correspondence exchanged between Mr. Kierans and myself.

* * *

EXTERNAL AFFAIRS

STATEMENT BY MINISTER ON VISIT TO EUROPE

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, I have just returned from Europe, where I had the honour to accompany the Governor General and Mrs. Michener on a series of official visits to the Netherlands, Belgium and Luxembourg. Queen Juliana and the Prince of the Netherlands, the King and Queen of Belgium and the Grand Duke and Duchess of Luxembourg received Their Excellencies with great kindness. These visits served to underline the closeness of the bonds of kinship and affection between Canada and the host countries, bonds forged by a shared history, strengthened by comradeship in two world wars and maintained by our alliance in NATO. His Excellency reminded his hosts in all three countries of the contribution made by so many Canadians of Benelux origin to the development of Canada and the friendship between our countries. He stressed the growing importance of trading relationships and scientific and cultural exchanges. I am sure I speak for us all when I thank the governments and people of the Benelux countries for the warm welcome given to the Governor General and Mrs. Michener wherever they went. Their Excellencies took advantage of their visits to The Netherlands and Belgium to join with their hosts in paying homage to the Canadian dead of two world wars by visits to Canadian cemeteries at Holten and in Flanders.

While in Europe, I had useful talks on a number of questions, including particularly the Common Market, with the Benelux governments, the Italian government, members of the European Economic Commission and the Secretary General of NATO. Our ambassadors to France and Germany joined me for a day of discussions in Brussels, enabling me to have some contact with all six countries of the European Economic Community.

The principal subject of all my talks was the current negotiation for the enlargement of the community. As the House is aware, the government, through meetings at the ministerial level, diplomatic representations and public speeches, has been making known over a period of many months Canadian concern about some of the effects of the anticipated enlargement of the Common Market. The government is not opposed to the broadening and deepening of the community; on the contrary, we see this development as an important contribution to greater stability and prosperity in Europe and the world. We have urged, however, that it is neither desirable nor necessary that this economic unification should take place at the expense of third countries like Canada. We have made concrete proposals to minimize the possible adverse effects of enlargement. In the same constructive spirit, we have urged the community to be open and outward-looking and non-discriminatory in its trading policies, and to do everything to avoid a trade confrontation with the United States costly to themselves, to us and the western world as a whole.

While in Europe, I re-emphasized these points, as did my colleague the Minister of Industry, Trade and Commerce (Mr. Pepin) who, as the House knows, was in Bonn at the same time. I went a step further on this occasion and urged both the member governments and the commission of the EEC to give serious consideration to the establishment of procedures for regular consultation with Canada. Hon. members will readily understand that if and when enlargement is achieved relations between

Canada and the other great trading entities—the European community, the United States and Japan—as well as among these entities themselves, will assume even greater significance for us and for them. It will be a different trading world.

• (2:30 p.m.)

I believe I am justified in saying that the Canadian concerns are fully understood in Europe and that the response has been positive, principally because our fundamental attitude to European unity has been constructive. We shall continue to press our case on every suitable occasion during the months ahead when crucial decisions are to be made.

While in Brussels, I signed, on behalf of Canada, an agreement for scientific and technological co-operation with Belgium. This agreement will facilitate and encourage expansion of scientific industrial and technological co-operation between our countries. The agreement illustrates how Canada is broadening the scope of its relations with Europe, one of our major policy objectives, as identified in the government's foreign policy review.

While in Rome, I was received in audience by the Pope. Our discussion ranged over the troubled areas of the world and concentrated upon the Middle East, which is one of His Holiness' gravest concerns. The Pope recalled with pleasure a visit he paid to Canada some 20 years ago, and the expression of his warm sentiments for this country brought to mind the thoughtful comment he made in 1969 when he said that the forces uniting Canadians seemed to him stronger than the forces that tend to divide us.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I must begin by welcoming back the minister. It has become my pleasant and frequent duty to welcome him back from very extensive and sometimes exotic tours abroad. This time he was in an exalted role in which he was an escort to vice-royalty, to dukes, duchesses, kings and grand duchesses. How many of us commoners have such a role cast upon us, to walk with kings and sup with queens.

I see in this morning's *Globe and Mail* that the minister is cast in the mantle of Sir Walter Raleigh. I would not presume to comment upon the courtier's function—I would not know it—but I must caution the minister to recall that Raleigh is not a very good model for a politician. That attendant knight had a political career which was something less than glorious. He spent much of his time forecasting discoveries, inventions and achievements which never came to pass. He pursued many goals which he never did attain. He was often away from home and, worst of all, ran afoul of the personage who held the political realm at bay and he spent many years in the Tower devoid of influence, power and freedom. I have no reference to the erstwhile Minister of Communications!

Of course this was a most important visit. I believe that the current pilgrimages to Europe are efforts by the government to overcome some of the ill effects of the government's own recent policies toward Europe. We have, I fear, given Europe a lower priority, and I am afraid we are being taken less seriously by Europe as a result. In its preoccupation with other ventures the government appears almost to be taken by surprise at the tremendous developments now taking place in western Europe. It should not surprise anyone that Britain is interested in moving into the ECM. This is not something which took place yesterday. It was some months ago that the government in its contemporary wisdom decided to downgrade our NATO role and diminish our interest in the Commonwealth and especially in the senior member of the commonwealth, Britain, but now we are rudely awakened to the impact of a much larger and more closely integrated European community.

In the Committee on External Affairs and National Defence the other day we were told by a distinguished witness in the international field that the great danger facing Canada today was not that of being taken over but of being left out in light of the many important and massive trade relationships which are being built up. I wonder—and I express this with great concern and anxiety—if the Canadian economy is in any way prepared for the developments which will take place when the United Kingdom enters the European Common Market. The Canadian economy is in a very precarious position because not sufficient was done before. The minister is quite right when he says that in the future there will be a different trading world. Will it be a world for which Canada is prepared and in which Canada will play a prosperous and useful part? This is the essential question. Western Europe is still an area of vital concern and profound interest to this country and no flirtations with other deviations and developments of frills in foreign policy will ever blot out that fact.

I notice that the minister had an audience with His Holiness the Pope. I had that great honour a year ago. At that time too the Holy Father expressed his interest in the Middle East and his grave concern about the trouble in that part of the world. I read in the European press that the Holy Father expressed the hope that Canada might play a more important and more valuable role in the Middle East. I would say that the minister might well be urged to follow the advice and suggestion of His Holiness the Pope because we cannot, should not and dare not evade our responsibilities in the Middle East, that tense, troubled and explosive spot.

Mr. Max Saltsman (Waterloo): Mr. Speaker, I too should like to join with my colleague in welcoming back the Secretary of State for External Affairs. I am quite sure that during his visit to Europe he probably used his very considerable persuasive powers to convince the Economic Community that Canada must have some entry into that organization. However, what disturbs me about the minister's statement is that obviously he has returned emptyhanded without any encouragement and hope for a relationship with the European Economic Community, and the rather Pollyanna, head-in-the-sand attitude he has regarding our future prospects. While I appreciate the efforts the Secretary of State for External Affairs is making in terms of pressing our case on the members of the EEC, it is quite obvious that we are not in a strong position in terms of getting concessions in that market. What is imperative at the moment is that Canada frame

alternative policies and thereby have a set of policies in the event that our persuasion of the Europeans does not work.

It is also very obvious that the Europeans are worried about the growth of international corporations and are making very determined efforts by combining with each other to ensure they have some control over the future of their countries and their economies. This is not going to go away and will not succumb to our blandishments. Therefore, Mr. Speaker, while welcoming the minister back I would hope he will take an early opportunity to tell us not only the kind of representations he has made to the countries of Europe but also what alternatives the government has in the event that we cannot get entry into the European Common Market. He should not fob us off by saying we are still trying because obviously our efforts are not meeting with success in that direction.

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, like the colleagues who spoke before me, I welcome back the Secretary of State for External Affairs (Mr. Sharp). I feel it might be well to consider posting a permanent welcome at the entrance of Parliament since during the past few months a procession of Canadian ministers, as also provincial premiers bound on somewhat different business, have been travelling abroad.

We note in the report of the Secretary of State for External Affairs, as we did in a report presented earlier this week by another minister, the Canadian government's concern with the creation of a European Common Market. It would appear that the creation of this common market would be fatal to Canada.

Mr. Speaker, the minister says that he urged the members of states and the EEC Commission to seriously consider the creation of mechanisms conducive to continuing consultations with Canada, as if we were telling member states of the common market to ask us permission to organize themselves and find ways and means to live better, and turn their industries, the agricultural potentialities and their trade with central Europe to their best account.

We cannot prevent the Europeans from improving their lot and in my view the organization of the economic community is by no means a catastrophe. This we find rather amazing and we should be able, thanks to our immense country and our hard-working countrymen, to do quite well for ourselves. We often hear that Canada is one of the most industrially developed countries in the world; therefore, we need not fear the commercial development that other countries are trying to achieve.

The Secretary of State for External Affairs indicated that he also met His Holiness the Pope in Rome. I am happy that he deemed it advisable to meet this high international authority; I am convinced that this was beneficial to him and that relations with the Vatican should be multiplied. This would doubtless be helpful in seeking better international agreements, perhaps not in the commercial field, but in seeking world peace, which people desire, but which few are dedicated to attain.

• (2:40 p.m.)

[*English*]

PUBLIC SERVICE

ALLEGED PATRONAGE—REQUEST FOR UNANIMOUS CONSENT TO MOVE MOTION UNDER S.O. 43

Mr. Walter C. Carter (St. John's West): Mr. Speaker, I ask leave to move a motion under Standing Order 43 in light of the declaration made yesterday by Mr. Claude Edwards, President of the Public Service Alliance, to the effect that the hiring procedure by departments of government has resulted in increasing personal and bureaucratic patronage in the appointment of federal employees, contrary to the merit system.

I therefore move, with the consent of the House, seconded by the hon. member for St. John's East (Mr. McGrath):

That the Standing Committee on Miscellaneous Estimates investigate and report upon the hiring practices used by various departments of government in recruiting for the Public Service.

Some hon. Members: Hear, hear!

Mr. Speaker: The motion proposed by the hon. member for St. John's West requires the unanimous consent of the House. Is there unanimous consent?

Some hon. Members: Yes.

Some hon. Members: No.

Mr. Speaker: Since there is not unanimous consent, the motion cannot be put at this time.

I believe the hon. member for Sarnia-Lambton seeks the unanimous consent of the House to return to the item, presenting reports, for the purpose of presenting a report. Is this agreed?

Some hon. Members: Agreed.

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VETERANS AFFAIRS

Seventh report of Standing Committee on Veterans Affairs—Mr. Cullen.

[*Editor's Note: For text of above report, see today's Votes and Proceedings.*]

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MISCELLANEOUS PRIVATE BILLS AND STANDING ORDERS

CONCURRENCE IN FIRST REPORT OF STANDING COMMITTEE

Mr. Victor Forget (Saint-Michel) moved that the first report of the Standing Committee on Miscellaneous Private Bills and Standing Orders, presented to the House on Tuesday, April 27, 1971, be concurred in.

Motion agreed to.

Inquiries of the Ministry

PRAIRIE GRAIN STABILIZATION ACT

PROVISION FOR PAYMENTS TO WESTERN CANADA PRODUCERS IN YEARS WHEN RECEIPTS BELOW FIVE-YEAR AVERAGE

Hon. Otto E. Lang (Minister of Manpower and Immigration) moved for leave to introduce Bill C-244, respecting the stabilization of Prairie grain sale proceeds and to repeal or amend certain related statutes.

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

ORAL QUESTION PERIOD

NATIONAL SECURITY

GOVERNMENT INTENTION REGARDING PUBLIC ORDER (TEMPORARY MEASURES) ACT—APPOINTMENT OF SPECIAL JOINT COMMITTEE OF SENATE AND HOUSE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Minister of Justice relating to the Public Order (Temporary Measures) Act. Has any decision been made following the meeting of the government? Whatever the decision, I gather that the minister has not decided to resign in any event. Can the minister tell the House whether or not a decision has been reached with regard to the continuation of the so-called Turner act or as to any measure to take its place?

Hon. John N. Turner (Minister of Justice): The government has decided not to seek extension of the Public Order (Temporary Measures) Act.

Some hon. Members: Hear, hear!

Mr. Turner (Ottawa-Carleton): The President of the Privy Council will be giving notice of a resolution to appoint a special joint committee of the Senate and House of Commons to examine, inquire into and report upon the nature and kind of legislation required to deal with emergencies that may arise from time to time in the future by reason of lawlessness or violence in Canadian society that would endanger the existence of government or the maintenance of peace and public order.

NUMBER OF CHARGES PENDING FOR MEMBERSHIP IN FLQ

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I have a supplementary question following that very decisive measure announced by the minister. I should like to ask the minister whether there are charges pending, where trial has not been completed, for membership in the FLQ, and if there are such charges pending where trial has not been completed, approximately how many such charges are there?

[Mr. Forget.]

Hon. John N. Turner (Minister of Justice): I have sought that information and will give it to the House, but I want to say to the Leader of the Opposition that any charges pending under the Public Order (Temporary Measures) Act remain valid charges even after the expiry of that act.

Mr. Stanfield: Yes, but I wonder whether the minister would make a statement to the House promptly with regard to the confusing situation which now exists whereby, for example, it is today a crime under the Turner act to be a member of the FLQ whereas on Monday it will not be. Will the minister make a statement explaining the position of the government and setting forth exactly where matters stand and how the government proposes to justify the situation that will exist?

Mr. Turner (Ottawa-Carleton): I do not need to make a statement; I can reply to the question very briefly. While it is true that membership in the FLQ will no longer, per se, be a criminal offence, I believe it can properly be said that having regard to the proposed aims and purposes of the FLQ it will continue to be an illegal organization in the sense that any group of individuals who conspire together to commit criminal acts and who do in fact commit such criminal acts can properly be described as an illegal organization.

Some hon. Members: Hear, hear!

Mr. Lewis: I told you that on October 16 and you denied it. You just discovered the Criminal Code.

NUMBER OF CHARGES LAID UNDER WAR MEASURES AND PUBLIC ORDER (TEMPORARY MEASURES) ACTS

Mr. Eldon M. Woolliams (Calgary North): When my friends to the left are a little quieter I should like to put a question to the Prime Minister. In light of the answer now given by the Minister of Justice and in light of the answer he gave to the news media yesterday, were not all the offences in reference to this matter covered in the Criminal Code if the law had been administered under the Criminal Code? I wonder, therefore, if the Minister could answer why the act was brought in at all?

Mr. Speaker: Order, please. The hon. member will recognize that the question as asked is an argument, and I have the impression that I have heard that argument on a number of occasions.

Mr. Woolliams: Then may I rephrase it, Mr. Speaker. In light of the answer given by the Minister of Justice I should like to ask the Prime Minister how many charges were actually laid under the War Measures Act and the Public Order (Temporary) Measures Act out of the 497 who were arrested?

Right Hon. P. E. Trudeau (Prime Minister): I do not have the information, Mr. Speaker, but the Minister of Justice has given the statistics from time to time that he got from the Attorney General of Quebec.

TERMS OF REFERENCE OF SPECIAL JOINT COMMITTEE OF SENATE AND HOUSE

Mr. David MacDonald (Egmont): I have a supplementary question for the Minister of Justice, Mr. Speaker. I am sure we are all pleased by the enlightenment that has taken place on the other side of the House, although it was a little long in coming—

Mr. Speaker: Order, please. The hon. member will have noticed that a few other members wish to ask supplementary questions. Perhaps the hon. member should ask his supplementary while he has the floor.

Mr. MacDonald (Egmont): With reference to the proposed committee announced by the Minister of Justice, can the minister indicate whether the terms of reference will be such as to empower the committee to bring before it persons and papers and to review the actual events in order that this may not be simply an academic discussion but that a full evaluation may be made of the events last fall so that proper action can be recommended by the committee?

Hon. John N. Turner (Minister of Justice): When the President of the Privy Council gives notice of the resolution he will set forth the terms under which the committee shall sit and the terms of reference will speak for themselves.

REQUEST THAT MINISTER OF JUSTICE APPEAR BEFORE SPECIAL JOINT COMMITTEE TO GIVE INFORMATION CONCERNING APPREHENDED INSURRECTION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): A supplementary question, Mr. Speaker. In view of the statement by the Minister of Justice that the government has full authority under the Criminal Code to deal with illegal organizations guilty of seditious conspiracy, is the House to take it that the minister is now making a public apology to the people of Canada for having introduced unnecessary legislation in the form of the Public Order (Temporary Measures) Act and is the minister prepared—

Mr. Speaker: Order, please. I doubt whether that question is in order. Perhaps the hon. member might like to rephrase it in some other way.

Mr. Douglas: Mr. Speaker, the rest of my question was to inquire whether the minister would be prepared—preferably the Prime Minister but I am directing the question to the Minister of Justice—to appear before the committee when this matter is referred to it in order to acquaint the committee with all the facts and information that the government had at its disposal at the time it decided there was an apprehended insurrection in Canada?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, that depends upon whether the committee decides to call me. If so, I shall appear before the committee within the terms of reference of that committee. I want to say, for the enlightenment of the hon. member for Nanaimo-Cowichan-The Islands, that the special crime of illegality of being a member of the FLQ was necessary in the circumstances to lower the burden of proof in a time of crisis and, more important, to expand the scope of the procedural advantages that were given to the Crown, namely, an extension in the power of arrest, and in the power of search.

Mr. Speaker: Order, please. I apologize to the minister for interrupting him but it seems to me that the question period has now changed into a debate. If hon. members wish to have a debate about this very important matter I am sure they can arrange this between themselves. However, I would not think that the question period should be turned into a debate on this very important matter. I understand there are a number of members who wish to raise different questions, and if we spend the whole question period debating this matter rather than seeking information we will not achieve as much as we might otherwise. I would therefore invite the Minister of Justice to reach the conclusion of his statement as soon as possible.

Mr. Turner (Ottawa-Carleton): On the point of order, Mr. Speaker—

Mr. Baldwin: On the point of order you have raised, Mr. Speaker—

Mr. Speaker: Order. The Minister of Justice on a point of order.

Mr. Turner (Ottawa-Carleton): Mr. Speaker, I take what you say to heart, but I would have thought that in the fairness you show in your presidency of this House you would have allowed me to reply to the preamble that was bootlegged into the question of the hon. member for Nanaimo-Cowichan-The Islands.

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. I suggest to the Minister of Justice and to all hon. members that if the question asked by the hon. member for Nanaimo-Cowichan-The Islands was not entirely regular, in the same way the minister's response was not entirely regular. They were both interrupted as soon as the Chair could get the floor.

Mr. Baldwin: On the point of order Your Honour has raised—

Mr. Speaker: Order, please. The hon. member for Peace River rises on the point of order.

Mr. Baldwin: On the point which you raised, Mr. Speaker, I would submit that the Minister of Justice could have answered very simply in two words—"more power".

Mr. Douglas: May I ask the Minister of Justice a supplementary question? Will either the minister or the President of the Privy Council undertake to assure the House that the terms of reference for the setting up of this investigation by a joint committee will be broad enough to permit an inquiry into the grounds upon which the government decided both to invoke the War Mea-

sures Act and to pass the Public Order (Temporary Measures) Act?

Mr. Turner (Ottawa-Carleton): Mr. Speaker, the hon. gentleman will have to wait until he sees the terms of reference. The resolution is debatable and he may make whatever representations he has at that time.

EXPIRY OF PUBLIC ORDER (TEMPORARY MEASURES) ACT —LETTER FROM QUEBEC PREMIER CONCERNING ACTION

Mr. Thomas M. Bell (Saint John-Lancaster): Mr. Speaker, I should like to direct a supplementary question on this matter to the Prime Minister. Has the government just now received a communication from Premier Bourassa which demands this action and, if so, can the Prime Minister tell the House the contents of this wire?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, that is not precisely the action that Premier Bourassa has suggested the federal government should take. As I said to the House yesterday, he has communicated with me in different circumstances. I think the clearest thing that I can put on the record as being his most important request is that we should enact specific legislation to make the FLQ and like organizations illegal, but particularly the FLQ. As to the matter of continuing the present act, I believe I answered the hon. member for Calgary North yesterday to the effect that this was not the premier's request. He is asking this specific thing, that the FLQ be made illegal and he is hoping that the gaps in the law will be studied by Parliament and that Parliament will act on them as soon as possible.

Mr. Bell: Would the Prime Minister table this wire that has just been received in this matter?

Mr. Trudeau: Mr. Speaker, it was a letter that I received from the premier and we had a series of telephone conversations. I cannot table the latter and, as to the former, I think if the premier wants to make it public he will do so of his own accord.

Mr. Speaker: The Chair will allow one last supplementary question to the hon. member for Sainte-Marie and then recognize the hon. member for Skeena.

[*Translation*]

REASONS FOR APPOINTING JOINT COMMITTEE RATHER THAN ROYAL COMMISSION

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I would like to direct a question to the hon. Minister of Justice.

Why did the government decide to establish a joint committee of the House and the Senate rather than appoint a royal commission, which would have excluded politics from the judiciary field? Why did the minister decide to proceed that way?

[*English*]

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the government believes that this issue is so important, involving as it does the balance of individual liberties and the safety of the community, that the people of Canada ought to be involved through their representatives in Parliament.

* * *

PENITENTIARIES

MILLHAVEN—CURTAILMENT OF VISIT BY CERTAIN MEMBERS OF PARLIAMENT

Mr. Frank Howard (Skeena): Mr. Speaker, as expected, I should like to direct a question to the Solicitor General. Inasmuch as he sat silent during the question of privilege that was raised earlier, I wonder if he would mind telling the House whether he in fact gave the instruction or orders that we were not to be permitted to remain within Millhaven institution?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Yes, Mr. Speaker.

[*English*]

Mr. Howard (Skeena): Would the minister mind enlarging upon that a little bit and take the House into his confidence and tell us by what authority he did so?

[*Translation*]

Mr. Goyer: Mr. Speaker, as it has been said, visiting rights in penitentiaries were abolished by act of Parliament in 1961. However, the practice has been maintained and since I was appointed Solicitor General, I have given no instructions to end this practice, or, in other words, to deprive hon. members of the right to visit our penitentiaries without advance notice.

On the other hand, I have not forgone either the advantages of the act and in my opinion whenever there are valid reasons to prevent any visit, I must make a decision and advise hon. members when they are courteous enough to contract me beforehand.

Considering the present conditions, there are three reasons why I feel justified in denying this visit: firstly, a board of inquiry has been appointed. Besides, two investigations are now being carried out, the first by the coroner and the second by the Ontario Provincial Police.

The second reason—

[*English*]

Mr. Howard (Skeena): Mr. Speaker, I have one additional supplementary question. May I say at the outset to the Minister that evasiveness is no substitute for intelligence.

Some hon. Members: Oh, oh!

Mr. Howard (Skeena): Inasmuch as he has already said that the report of the commission of inquiry will not be made public, that none of the reports of other inquiries will be made public and that the Standing Committee on Justice and Legal Affairs will not have the opportunity to visit Millhaven, may I ask him very simply if he would mind telling the House what he is afraid of? What have you got to hide?

[*Translation*]

Mr. Goyer: Mr. Speaker, I did not appeal to the intelligence of the hon. member but to his courtesy, and I see he lacks both.

Following the Kingston events, we had no choice in Millhaven. We had to transfer inmates in an institution that was not completed. Therefore, Millhaven is overcrowded and after the troubles in Kingston, the population is of course still in a precarious psychological state.

The third reason is that if I had allowed four members of the same party to visit Millhaven, which was not proper in the circumstances, I would have had to agree to similar requests which might have come from government members, members of the official opposition or the Ralliement créditiste. I feel that a visit to Millhaven would be inopportune at this time.

[*English*]

RIGHT OF COUNSEL TO VISIT PRISONERS

Mr. Eldon M. Woolliams (Calgary North): A supplementary question, Mr. Speaker. In view of the directive he has given and his answer, may I ask the Solicitor General whether counsel representing prisoners who are incarcerated in various penitentiaries in Canada must obtain his consent before they can see their clients?

Some hon. Members: Oh, oh!

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): I believe, Mr. Speaker, that the practice is well known; when a prisoner advises the authorities of an institution that he wants to see a lawyer, steps are taken for his rights to be respected.

[*English*]

MILLHAVEN—CURTAILMENT OF VISIT BY CERTAIN MEMBERS OF PARLIAMENT

Mr. David Lewis (York South): A supplementary question, Mr. Speaker. May I ask the minister, who is presumptuous enough to judge the intelligence and courtesy of other people—

Some hon. Members: Oh, oh!

An hon. Member: This is not the Waffle.

Mr. Speaker: May we have order, please?

Mr. Lewis: Mr. Speaker, may I ask the minister whether he inquired as to what the conversations were about before taking the authoritarian action of deciding that conversations could not take place? Did he inquire what the members were talking about, whom they were talking to, and what the subject of the conversation was before he decided that it would interfere with inquiries that somebody else was carrying on?

[*Translation*]

Hon. Jean-Pierre Goyer: Mr. Speaker, I had and have absolutely no intention of interfering with what hon. members have to say to the prisoners. It is their right, and I respect it. On the other hand, I explained the reasons which motivated my decision and I feel they are valid.

Inquiries of the Ministry

CONSUMER AFFAIRS

INCREASE IN PRICE OF GASOLINE AND FUEL OIL—REQUEST FOR INVESTIGATION BY PRICES AND INCOMES COMMISSION

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs, but in his absence I will direct it to the right hon. Prime Minister.

In view of the recent increase in the price of gasoline and fuel oil, can the Prime Minister indicate whether he intends to ask the Prices and Incomes Commission to inquire into that matter since oil companies like Imperial Oil and Petrofina announced today a significant increase in their profits for the first quarter of 1971?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will take notice of the question on behalf of the minister responsible to the House for the Prices and Incomes Commission.

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INQUIRY OF THE MINISTRY

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Minister of Labour. First of all, I want to thank him for the statistics he sends us every month about the number of days lost across the country due to strikes or lock-outs.

Would the minister be prepared to provide us also with the statistics concerning the number of days and millions of dollars lost by the 700,000 unemployed Canadians during 1970?

Mr. Speaker: The hon. member is asking the minister to give him statistical information and a question of this nature should be put on the order paper.

* * *

[*English*]

EXTERNAL AFFAIRS

EAST PAKISTAN CONFLICT—CANADIAN ACTION TO EASE SUFFERING AND DIMINISH FIGHTING

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the honourable and courtly Secretary of State for External Affairs. Can he advise if the government is contemplating any steps to ameliorate the terrible suffering of the people of East Pakistan? Can he also advise if, in concert with other Commonwealth states, the government is taking any initiatives toward diminishing the fighting and the possibility of its broadening into conflict between two of our Commonwealth members, India and Pakistan?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the Canadian government has made it plain that we are prepared to join with other countries in measures to assist in the relief of the people of East Pakistan. We are also urging, of course, that there should be a political settlement of this question and not one that involves so much bloodshed.

Inquiries of the Ministry

Mr. Macquarrie: Can the minister advise if any relief is now proceeding from Canada to that area?

Mr. Sharp: No, Mr. Speaker, we have not yet had any request that we can fulfil. Of course, it is only recently that the Canadian government was providing substantial relief to Pakistan in connection with the flooding, and I cannot say whether all of this has arrived.

* * *

THE CANADIAN ECONOMY

FURTHER MEASURES TO CONTROL POSSIBLE PRICE INCREASES

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of Finance. In view of the warning of the head of the Bank of Canada that the economy may be entering a period of rapid price rise before inflation is brought completely under control, is the government preparing further controls, other than the present fiscal tools, for application in the future?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, as I have indicated previously, the government for a long period of time during the recent battle against inflation has been studying the possibility of other types of measures that might be used in order to combat rapidly rising prices.

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PENITENTIARIES

MILLHAVEN—CURTAILMENT OF VISIT BY CERTAIN MEMBERS OF PARLIAMENT

Mr. Arnold Peters (Timiskaming): Mr. Speaker, may I ask the Solicitor General if his directive yesterday was issued only because members of the opposition were involved and does not apply to other members? I understand that one member of his party has been in the penitentiary within the last few days and there was not this kind of directive.

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I was not aware of that fact.

[*English*]

Mr. Peters: Mr. Speaker, the Solicitor General, in my opinion, was aware of this because I understand that he took the hon. member for Kingston and The Islands in with him as the Member of Parliament for that area.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

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EXTERNAL AFFAIRS

NEGOTIATIONS WITH CERTAIN COUNTRIES ON PHASING OUT THEIR FISHING OPERATIONS WITHIN CANADIAN WATERS

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State for External Affairs. According to a release from his office dated April 28, proposals have been made by Canada and Norway which could serve as the basis for agreement between the two countries on the future conduct of fishing and sealing activities in Canada's territorial sea and exclusive fishing zones. Would the minister indicate whether any progress has been made in arranging similar meetings with Portugal, Spain, Italy, Denmark, the United Kingdom and especially France which would cover the phasing out of fishing operations and the acceptance of Canadian jurisdiction in the newly created 12-mile territorial sea and fishing zones off Canada's east and west coasts?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, negotiations and conversations are under way with a number of those countries. I should like to take the question as notice before giving a precise answer.

DISCUSSIONS WITH DENMARK ON CONSERVATION OF ATLANTIC SALMON

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a supplementary question to the Minister of Fisheries and Forestry. Does he intend to initiate any discussions with the government of Denmark with respect to the failure of that country to act on conservation measures with respect to the overexploitation of Atlantic salmon off the coast of Greenland?

Hon. Jack Davis (Minister of Fisheries and Forestry): Yes, Mr. Speaker, in the first week of June.

* * *

[*Translation*]

INFORMATION CANADA

POSSIBILITY OF REDUCING COST OF PUBLICATIONS FOR STUDENTS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I want to direct my question to the hon. minister responsible for Information Canada.

Can he indicate to the House what possibilities there are for Information Canada to lower the prices of books sold to students in order to make it much easier for young students who would like to use these books to get information?

Mr. Speaker: It seems to me that this question was put yesterday. Unfortunately, I do not remember whether the hon. minister had promised an answer. It would be simpler maybe to allow him to do so briefly.

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, Informaiton Canada does its utmost to make available to students, at the lowest prices possible, certain publications which may be of some use to them.

Besides, Information Canada offers a 33⅓ per cent discount to any school board or school which orders its publications with the special order forms of this agency.

[*English*]

HEALTH

FINANCING OF NURSING HOMES—INCLUSION ON AGENDA OF FEDERAL-PROVINCIAL CONFERENCE—AMENDMENT OF ACT

Mr. S. Perry Ryan (Spadina): Since the Minister of National Health and Welfare is not in the House, although this is his day, I will direct my question to the Prime Minister if I can get his attention. Will the financing of nursing home care be placed on the agenda of the upcoming federal-provincial conference, or is the government going to introduce an amendment to the Hospital Insurance and Diagnostic Services Act so that there will be federal assistance for nursing homes across the country?

[*Translation*]

Mr. Gaston Isabelle (Parliamentary Secretary to Minister of National Health and Welfare): Mr. Speaker, this question will be brought to the attention of the minister, who will undoubtedly consider it with the greatest care.

* * *

[*English*]

AGRICULTURE

POTATOES—REQUEST BY PRINCE EDWARD ISLAND AND NEW BRUNSWICK FOR ASSISTANCE

Hon. J. A. MacLean (Malpeque): I wish to direct a question to the Minister of Agriculture. What has he to report to the House on the question of assistance to potato growers in the Atlantic provinces as a result of his meeting last Monday with the Minister of Agriculture from that area?

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, the representation that we received from the Ministers of Agriculture for Prince Edward Island and New Brunswick was of a somewhat different nature from that of the past—in that they were not asking for a program under the Agricultural Stabilization Act. There were good reasons for that which I cannot explain now. This is a new departure in the form of assistance and we are looking at it very carefully.

* * *

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—NATURE OF DISCUSSIONS WITH UNITED STATES—COMPOSITION OF DELEGATION

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct my question to the Secretary of State for External Affairs. I believe that on Monday next the minister will be meeting with Mr. William Rogers, Secretary of State of the United States. Is the minister planning to have discussions with him regarding the trans-Alaska pipeline system and will any studies on the ecological dangers of transporting oil by tanker down the Pacific coast be presented to the American government? If so, by whom have they been prepared? Also, will there be representatives of the Canadian Department of Transport with the minister when he makes these representations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the hon. member has asked whether I am going to be present at these meetings. On the contrary, these meetings are going to be held at the official level. The Canadian delegation will be led by the Director General of the Bureau of Economic and Scientific Affairs of the Department of External Affairs. There will be officials of the Department of Transport, the Department of Fisheries and Forestry, the Canadian embassy in Washington, and the province of British Columbia.

Mr. Douglas: I may have misunderstood the Prime Minister the other day. I was under the impression that the Secretary of State for External Affairs would be meeting Mr. Rogers. May I ask if such a meeting has been arranged, because the minister will recall that some time ago he indicated his intention of having discussions with Mr. Rogers regarding the TAPS program?

Mr. Sharp: What I said in the House was that I had been in touch with Mr. Rogers to arrange a meeting. The Prime Minister has confirmed to me that he did not indicate that I would be present or that Mr. Rogers would be present. As the House knows, Mr. Rogers is engaged in a very important mission in the Middle East, and we certainly would not want to bring him back to meet with me at this time.

Mr. Douglas: May I ask if any representations regarding the proposed underground nuclear testing on Amchitka Island be made at this meeting? If so, what representations will the Canadian government be making?

Mr. Sharp: No, Mr. Speaker. I am sure the House will agree that the purpose of this meeting should be to examine the dangers to the environment from the building of the trans-Alaska pipeline and the accompanying movement of oil by tankers down the west coast. We have made representations to the United States in connection with the Amchitka tests. The President of the United States has not yet made a decision. I hope he will make one that recognizes the dangers we have pointed out.

Hon. Robert L. Stanfield (Leader of the Opposition): A supplementary question to the Prime Minister. Has there been some omission in the list of officials read by the Secretary of State for External Affairs? He did not mention anyone from the Department of Energy, Mines and Resources. When I asked for some information from ministers the other day, the Prime Minister said I would have to get that information from the Minister of Energy, Mines and Resources as he is in charge of this operation.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, but he is not in charge of the mission to Washington.

Inquiries of the Ministry

INQUIRY OF THE MINISTRY

Mr. Donald MacInnis (Cape Breton-East Richmond): I wish to direct my question to the Minister of Finance. Since the Minister of Labour has called into question the activities of the Minister of Finance, will the minister explain for the benefit of the House, particularly for the benefit of the Minister of Labour, just what he is doing as Minister of Finance?

Mr. Speaker: That statement should be made on motions.

Mr. MacInnis: I wish to follow up my original question by addressing a supplementary to the Minister of Labour. In order to satisfy his own curiosity and the curiosity of members on this side of the House, will the Minister of Labour ascertain from the Minister of Finance just what he is doing in that department, thereby informing himself and other members as to what is going on?

Mr. Speaker: Order, please.

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NATIONAL DEFENCE

FUTURE USE OF CF-5 PLANES

Mr. J. M. Forrestall (Dartmouth-Halifax East): I wish to direct my question to the Minister of National Defence. I will bring the discussion back to the pocketbook and ask about that multimillion dollar headache, the CF-5. Has any decision been made with regard to the future of the CF-5?

Hon. Donald S. Macdonald (Minister of National Defence): Mr. Speaker, my proposals with regard to the aircraft are before cabinet in the form of a white paper. When a decision is made in that regard, I hope to be able to announce it.

* * *

[*Translation*]

BILINGUALISM

ONTARIO—DISCONTINUANCE OF SPECIAL GRANTS TO BILINGUAL UNIVERSITIES

Mr. Gaétan-J. Serré (Nickel Belt): Mr. Speaker, I wish to direct a question to the hon. Secretary of State.

Following the announcement by the Ontario Minister of Academic Affairs that special grants to bilingual universities, including those of Ottawa and Sudbury, will be discontinued effective next year, is it the intention of the hon. minister to enter into negotiations with provincial authorities to suggest that they should pursue this form of assistance which is necessary to the promotion of bilingualism in Ontario, or is he now in a position to tell the House whether the federal government intends to provide special assistance to the only two bilingual higher learning institutions in Ontario?

[Mr. Trudeau.]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I have been amazed by the news which was reported in this morning's papers. Hon. members know that, for the time being, the incentive policy for the teaching of official languages in Canada does not cover universities. However, some recommendations concerning higher education will be discussed with the provinces. I intend to take opportunity of these consultations to open the dialogue with provincial ministers in this regard and particularly with the Ontario minister.

Mr. Serré: Mr. Speaker, on a supplementary, I wonder if the hon. minister could tell us if he intends to extend the existing program with regard to the $50 million assistance to second language teaching at the elementary, secondary and higher levels?

Mr. Pelletier: Mr. Speaker, I think it is too early for me to answer this question.

* * *

[*English*]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—INCREASE IN MONEY ALLOCATED

Mr. David MacDonald (Egmont): My question is for the Secretary of State. In view of the concern felt among students across the country about the Opportunities for Youth program, can the minister tell us whether he has received any additional allocation of funds from Treasury Board in order that a greater number of programs can be accepted this summer?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Not yet, Mr. Speaker.

* * *

[*English*]

INDIAN AFFAIRS

PROVISION OF GRANTS TO MANITOBA INDIAN BROTHERHOOD

Mr. David Orlikow (Winnipeg North): I wish to direct my question to the Minister without Portfolio in charge of citizenship. Has the hon. gentleman yet replied in an affirmative way to telegrams he received yesterday and today from the Manitoba Indian Brotherhood to the effect that unless they get their grants for 1971 immediately they will have to cease operations and lay off their entire staff?

Hon. Robert Stanbury (Minister without Portfolio): Yes, Mr. Speaker.

Mr. Orlikow: Can the minister tell hon. members whether he has agreed to transmit the money in time in order that the operations of this very important organization can continue?

Mr. Stanbury: The grants are being transmitted as quickly as possible in light of the speed with which the financial information required is received from organizations.

PUBLIC SERVICE

ALLEGATION BY PUBLIC SERVICE ALLIANCE RESPECTING PATRONAGE

Mr. Walter C. Carter (St. John's West): May I direct this question to the Prime Minister in the absence of the President of the Treasury Board. Would the Prime Minister undertake to investigate the allegation by the Public Service Alliance that government hiring practices are resulting in increasing personal and bureaucratic patronage in the Public Service?

Right Hon. P. E. Trudeau (Prime Minister): I will try to see what representations were made and follow them up.

Mr. Carter: In view of the allegation by the president of the Public Service Alliance that abuses have crept in since the Public Service Commission turned over hiring practices to the departments, will the Prime Minister take action to have the Public Service Commission assume full responsibility for hiring practices in all departments?

Mr. Trudeau: As I said in answer to the previous question, I will look into the matter. I am satisfied there is no accusation of patronage exercised by the government; this relates to the Public Service, as I understand it.

* * *

AGRICULTURE

INQUIRY AS TO LEGISLATION TO ASSIST OWNERS OF SMALL FARMS TO RETIRE OR CHANGE OCCUPATION

Mr. Jack Murta (Lisgar): I have a question for the Minister of Agriculture. It concerns proposed legislation which would assist owners of small farms to retire or take up other trades or professions. Would the minister tell us when we can expect the legislation to be brought down?

Hon. H. A. Olson (Minister of Agriculture): I cannot give a precise date. Obviously, the legislation cannot be introduced until we have reached a satisfactory level of agreement with the provinces, and negotiations are still being conducted.

Mr. Murta: Is it true that the minister plans to place a ceiling of $20,000 as the maximum value of farms which would be covered—

Mr. Speaker: Order. The hon. member is asking the minister to confirm or deny a statement, and a question in those terms is not in order.

* * *

[*Translation*]

ADMINISTRATION OF JUSTICE

SUGGESTED CONFERENCE ON FEDERAL AND PROVINCIAL JURISDICTION

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I see that the Solicitor General has left the House. I will therefore ask my question of the Prime Minister.

Inquiries of the Ministry

Would he tell us when he will propose a federal-provincial conference on the sharing of jurisdictions and on the provincial and federal responsibilities in the criminal field?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the general issue of distribution of power between the two government levels was put on the agenda as early as the February 1969 conference if my memory serves me right. Of course, the issue of penal and criminal jurisdiction is included but, as far as I know, no province has urgently requested a study of this question.

* * *

FINANCE

LIMITATION OF FOREIGN BORROWING BY PROVINCIAL GOVERNMENTS

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, I should like to put a question to the Minister of Finance.

Can he tell the House whether he has sent to the Quebec premier a list of Canadian institutions from which he could obtain the funds he needs instead of looking for money outside this country?

Mr. Speaker: The hon. member's question is being put as a suggestion to the minister. I do not believe that, in such terms, this question is in order.

Mr. Ricard: Respectfully, Mr. Speaker, I should like to insist since the matter is vitally important and since the minister himself has made this point. I think that people would be happy to be informed of the minister's views in that respect.

Mr. Speaker: The minister could indicate his views on motions, if it is the hon. member's wish.

* * *

[*English*]

WATER RESOURCES

DIVERSION INTO SASKATCHEWAN RIVER OF WATER FROM NORTHWARD FLOWING STREAMS—DISCUSSIONS WITH ALBERTA

Mr. Randolph Harding (Kootenay West): I have a question for the Minister of Fisheries and Forestry. Has the federal government held any discussions with the provincial authorities in Alberta concerning the diversion of water into the Saskatchewan River from water sources now flowing north to the Arctic?

Hon. Jack Davies (Minister of Fisheries and Forestry): There have been discussions concerning the Peace River and the flooding of the Athabasca delta, but our discussions have been confined primarily to that subject.

Mr. Harding: Has any agreement for diversion been reached and, if so, how many acre feet are involved? Have surveys been made to assess any ecological damage which may result from such a diversion?

Mr. Davis: I have no knowledge of a possible diversion, Mr. Speaker.

Inquiries of the Ministry

GRAIN

QUOTA PROGRAM—REASSIGNMENT OF ACREAGE TO GRAINS OTHER THAN THOSE ASSIGNED IN ORIGINAL PERMIT BOOK APPLICATIONS

Mr. Don Mazankowski (Vegreville): This question is directed to the minister in charge of the Wheat Board. It pertains to the new grain quota program recently announced. Is any provision being considered to allow for the reassignment of acreage to grains other than those assigned in the original permit book applications to compensate for changes in farmers' programs necessitated by abnormal weather conditions or other unforeseen situations?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Yes, Mr. Speaker. At all times it was intended that some permission would be given to make changes in the event of crop failures or some similar situation. The Wheat Board is now giving serious consideration to authorizing a general right of reassignment prior to a certain date in the late fall.

Mr. Speaker: Orders of the day.

Mr. Howard (Skeena): I rise on a question of privilege, Mr. Speaker. I have delayed doing so until the end of the question period because I did not want to interfere with the time available for questions. I thought the self-appointed repository of courtesy and intelligence in this chamber, the Solicitor General, would be here, but he is not. He left about 10 minutes ago. Had I known he was going to leave I would have raised my question of privilege earlier. It relates to something the hon. gentleman said. At one stage he said one of the reasons for refusing entry to Millhaven penitentiary of Members of Parliament was that if he did it for one he would have to do the same thing for others, and he did not wish to set that sort of precedent.

When my hon. friend from Timiskaming asked whether other members had visited the penitentiary during the time of the riot or later, he said no. The supplementary question of my hon. friend from Temiskaming established that the hon. member for Kingston and The Islands was a visitor to Kingston penitentiary, and such being the case I submit it casts some doubt upon the truthfulness of the remarks of the Solicitor General.

Mr. Speaker: Order. I suggest to the hon. member that is not a question of privilege. The hon. member is debating with the minister what were the actual circumstances. This cannot, in my estimation, constitute a question of privilege. I would say that the citation I quoted earlier when the hon. member for Abitibi rose on a question of privilege, Citation 113, is relevant in this case. I suggested to him that his question did not constitute a question of privilege and I have to make the same ruling in the case of the hon. member for Skeena. This is a matter for debate. Perhaps the hon. member might ask the minister again and try to have the question elucidated tomorrow.

[Mr. Davis.]

Mr. Benson: I rise on a question of privilege, Mr. Speaker, to simply state that I have never been in Millhaven penitentiary.

Some hon. Members: Hear, hear!

Mr. Speaker: The hon. member for Timiskaming and the hon. member for Skeena seek the floor at the same time. We shall have to recognize them one at a time. We shall begin with the hon. member for Skeena, but I would remind him that he has raised a question of privilege, that a ruling has been made by the Chair, and that the ruling is not subject to appeal.

Mr. Howard (Skeena): I am not appealing your ruling, Mr. Speaker. I know I am not able to do so. But the evasive, cover-up answer from the Minister of Finance, the hon. member for Kingston and The Islands, shows precisely how far he and his colleagues will go to hide from the truth.

Mr. Speaker: Order. The hon. member has to resume his seat. The question period has expired and there is nothing before the House at the moment except calling orders of the day. The hon. member rose on a question of privilege and the Chair ruled it was not a question of privilege. The Minister of Finance rose on a question of privilege and again it was ruled there was no question of privilege. I do not see in what way we can continue the debate at this time.

Mr. Howard (Skeena): With respect, Mr. Speaker, I just rose to indicate, on a question of privilege, that both the Solicitor General and now the hon. member for Kingston and The Islands have not been telling the truth in this House. Surely that is a question of privilege.

Mr. Speaker: Order, please. I have just ruled that it is not a question of privilege. I would invite the hon. member to read Citation 113 of Beauchesne's Fourth Edition. I have made my ruling. The hon. member can make the point ten times, but he will still get the same ruling ten times. It is not a question of privilege. Orders of the day.

Mr. Peters: Mr. Speaker, may I raise a very simple question of privilege. In the discussion that has taken place this afternoon, and in the remarks that I made we were asking about entrance into a penitentiary. The Minister of Finance, who is also the Member of Parliament for Kingston and The Islands, visited a penitentiary in similar circumstances, and that was my point. The answer that the hon. member for Kingston and The Islands has now given in his role as a member, in my opinion, is not correct.

Mr. Speaker: Order, please. This again is debate. It seems to me that the whole situation is very clear; certainly it is to me. These questions can be asked again by the hon. member, not by way of a question of privilege or point of order but as straight questions. The question

is a valid one and should be asked in the question period. If hon. members think that we should pursue the question period seven minutes after it has expired, this can be done, but only by unanimous consent. I will inquire whether there is unanimity.

Some hon. Members: Agreed.

Some hon. Members: No.

Mr. Speaker: I respectfully suggest to the hon. members for Skeena and Timiskaming, who are seeking information that they are certainly entitled to obtain, that they raise the matter again when we reach the question period tomorrow.

* * *

BUSINESS OF THE HOUSE

WEEKLY STATEMENT

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, today being Thursday, is the hon. member for Peace River not going to ask what is the business of the House for the ensuing days?

Mr. Baldwin: I was, Mr. Speaker, but I wanted to make sure that all questions of privilege had been thoroughly exhausted. Can the government House leader indicate what will be the business for today, tomorrow, Monday and as far along into next week as his strong eyes can see?

Mr. MacEachen: Mr. Speaker, today, as was announced yesterday, we will begin with the amendment to the Senate and House of Commons Act, followed by the amendment to the Prime Minister's Residence Act. Following that I would call the agricultural bills, of which there are several, and then the Post Office Act. I should like to discuss further with my colleagues in what order I will call the various agricultural bills.

Mr. Speaker: Orders of the day.

• (3:40 p.m.)

GOVERNMENT ORDERS

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.

Hon. Allan J. MacEachen (President of the Privy Council) moved that Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act, and an act to make provisions for the retirement of members of the Senate, be read the second time and referred to the Standing Committee on Procedure and Organization.

He said: Mr. Speaker, the subject matter of this particular bill, and the issue surrounding it, have really been in the public domain since February 1970, when the committee on parliamentary salaries and expenses was

appointed, and remained very active until its report was completed on November 16, 1970. In introducing this measure, and before paying some attention to the details of the bill, I should like to make a few comments about the role of the Member of Parliament.

The government and members on both sides of the House have for some time been concerned about the ability of the Member of Parliament to perform his role. As a result of this concern and the concern expressed by members themselves, members' facilities have gradually been improved. Some members will recall a time not so long ago when office accommodation had to be shared between two Members of Parliament. This situation has gradually been changed under successive governments, and plans are being developed for further improvement in office accommodation.

Following the 1968 election the Prime Minister (Mr. Trudeau) announced the creation of research facilities for Members of Parliament, with the result that research divisions were established for the first time and attached to each caucus. Recently, improvements have been made, slight but definite improvements, in secretarial facilities. These are among a number of steps that have been taken to assist members in the performance of their function as representatives of the people.

While there are some aspects of the Beaupré report which the government does not feel ready at this time to accept or to recommend to Parliament—for example, increases in salaries for office holders—it does fully support the analysis of the role of the Member of Parliament contained in that report.

Touching upon the role of the member and the facilities required to discharge the responsibilities undertaken by members, the Beaupré committee makes the following comment:

> And yet, Members of Parliament, charged with the complicated and onerous responsibility of representing individual rights and interests as well as directing the affairs of the country are often deprived of even the most fundamental facilities requisite to the efficient performance of their duties, either because governments have not seen fit to make them available, or because of the strictures of the member's personal financial situation.

Then, in commenting upon the modern role of the Member of Parliament, the committee states:

> It is our belief that the individual member is the most important link in the communication chain that joins government to the public it serves. The committee—

That is, the Beaupré committee—

> —visualizes the role of the member as becoming more onerous, more complicated, more responsible and more time consuming. Consequently, it will become increasingly important that provisions be made that will permit him to respond quickly and adequately to the requirements of the people of Canada.

It seems to me it is not quite fair to demand of our Members of Parliament such a high degree of dedication to the public interest and then to fail to supply them with the necessary resources to help them discharge the tasks imposed upon them. Although the duties of a Member of Parliament cannot always be set down in a carefully drawn job description, these duties are never-

theless real and important and have always been recognized as an integral part of the job of representing the electorate of Canada.

The simple fact is that constituents expect and are entitled to a certain amount of attention and service from their member and, in the modern context, usually the provision of these services costs money. In addition to that, Members of Parliament have certain duties imposed upon them by the electorate. They are not always in a position to pick and choose what they shall do and what they shall not do. We, who serve as Members of Parliament, all know that often times we respond to the requirements and needs of the constituents we serve at a time when we have carefully determined goals for ourselves. That is to be expected and it is quite supportable.

Members of Parliament are not always in a position to control the time spent on their jobs, nor do they have nicely categorized responsibilities and carefully determined jobs to which they can direct their attention. A member is usually and willingly at the beck and call of his constituents, and must at the same time serve his responsibilities in the House. These are important responsibilities which lie at the very heart of our democratic parliamentary system.

The late Mr. King, as Prime Minister, put the situation in these terms:

> We cannot seek to detract from the importance of Parliament and we must afford to Members of Parliament that which will help them to preserve their independence and cause the best men in the country to enter its halls.

That objective is still modern and relevant, even though these words were spoken by Mr. King in 1945.

Even before the appointment of the Beaupré committee, it was obvious that members without independent means were unable to fulfil their responsibilities to their constituents and maintain a decent and reasonable standard of living for themselves and their families. The proposed measure is an attempt to deal with the problems, which members know better than anyone else, in a reasonable, honest and adequate fashion. The House will, of course, have the final determination of the proposals contained in this bill. The proposed bill has been put forward only after wide consultation and prolonged investigation by an independent committee and hon. members of the House. It is being introduced with the knowledge that it may not represent a perfect solution and that further study of this question will continue into the future, along with consideration of the role of the member in the functioning of the parliamentary system in the various ways in which members can be assisted to participate to the fullest extent in the adequate functioning of this institution.

These proposals are designed, in our view, to meet immediate requirements and alleviate present hardships. We believe that the goals suggested in the Beaupré report will be more directly attained by following the method outlined in the bill than by pursuing a course which may in the long run affect the status of elected members in a way not hitherto contemplated by Parliament.

The provision of $18,000 in indemnity and $8,000 in expense allowance will assist members to meet the pressing problems of maintaining two residences and fulfilling their personal, family, parliamentary and constituency obligations in a reasonable way. The bill is put forward as a solution which it is hoped will meet the problems with which members have had to deal in recent years and which have formed the basis of change. If better solutions or more effective proposals can be brought forward, the government is disposed to listen with sympathy and attention for future consideration.

The bill also contains amendments to the Members of Parliament Retiring Allowances Act. The amendments proposed are designed so there will be no increase in either the contributions or pensions payable as a result of the proposed amendments to sections 33 and 44 of the Senate and House of Commons Act. The amount of contribution which a member pays is a percentage of his sessional indemnity as defined in paragraph (2)(1)(d) of the act. As a member of the House of Commons has been contributing on the sum of $12,000 sessional indemnity and $6,000 expense allowance, or $18,000 year only, there shall be no change in the level of contribution or the eventual pension as a result of the increase set out in the bill. Therefore, it is necessary to amend the definition of his sessional indemnity so that contributions will be made only on the net $18,000 sessional allowance.

The effect of this amendment is really to maintain a status quo in respect of the level of contributions and the maximum pension possible to a Member of Parliament. Similarly, a Senator who is under the Members of Parliament Retiring Allowances Act has been contributing on the sum of $12,000 sessional indemnity and $3,000 expense allowance, or $15,000 a year. In order that he shall continue to contribute on $15,000, it is necessary to amend the definition of his sessional indemnity. That is achieved by an amendment to the Members of Parliament Retiring Allowances Act.

Because it is of interest to members and to members of the other place, a Senator who is under the 1965 act which makes provision for the retirement of members of the Senate has been contributing on his $12,000 sessional indemnity alone. An amendment proposed in this bill is designed to provide that he will continue to contribute and have his pension calculated on the basis of $12,000 instead of the new allowance of $18,000. No change in the rate of contribution is proposed. So much for the amendment to the Members of Parliament Retiring Allowances Act.

Special provisions are made for members representing northern constituencies because they are subject to heavy burdens of expenses. These provisions are spelled out in the bill and will go a long way toward ensuring for elected representatives a degree of personal security which will compare with that in other less uncertain professions and contribute, I am certain, to the more efficient discharge of their responsibilities to the public.

Also of some interest is the provision to widen the existing authority for providing assistance to members for legitimate transportation and telecommunications expenses. As Your Honour is aware, the capacity of the

House to provide, in a flexible way, for the transportation and telecommunications expenses has been somewhat hampered by restrictions in the present act. This will give the House an opportunity, if it so wishes, to provide for additional such expenses as recommended by the Beaupré committee report.

• (3:50 p.m.)

I might mention, since it is of interest, that the total increase over the 7½ year period, because it is effective October last year, is 44 per cent or approximately, if taken on an annual basis, I think a little better than 6 per cent. It may not be conclusive to any person who is opposed to this measure, but it is of interest and is helpful in making comparisons to note that between 1963 and 1970 the average weekly salaries and wages for all wage earners and salaried employees in the industrial composite rose 52.2 per cent. The salary, for example, of economists rose from between 45 per cent and 50 per cent. The salaries of engineers increased by about 50 per cent and the salaries of university professors increased from between 63 per cent and 68 per cent. It would seem that if the increases proposed here had been undertaken on an annual basis they would not be out of line with those experienced in other comparable occupations. For example, the average annual increase for managerial personnel between 1967 and 1969 has been between 7 per cent and 9 per cent.

Another instructive illustration is that engineers and statisticians have experienced pay increases averaging 8.6 per cent and 7.1 per cent in 1969 and 1970. In comparison with public servants with comparable responsibilities, the proposed salaries and allowances are not out of line. Many public servants in the upper brackets receive higher salaries, as do many executives in industry. I looked back at the debate which took place in 1954. The speeches made in that debate stuck in my mind over all those years. At that time I was a backbencher. I was so far along the backbench that I was almost out in the corridor. But I listened intently to the speeches made and those which remained in my mind were one made by the then Minister of Finance, now Mr. Justice Abbott, and another by the then hon. member for Cape Breton South, the late Clarey Gillis. I went back to these speeches. One question asked Mr. Abbott was what the salary was of the top deputy minister at that time. After some consultations with his colleagues, he stated that the top salary was something like $17,500. I do not know exactly what the top deputy minister in our public service receives today, but the proposals of the Clyne committee have been tabled in this House and it is possible for us to determine what changes have taken place in the payment to public servants.

As I mentioned, it would seem to me to be quite difficult to equate the responsibilities and the diversity of function of a Member of Parliament to any precise category in the public service, but it is certainly not unreasonable to think that we should at least be hooked up with some executive category within the public service, and that our responsibilities are at least equivalent to the responsibilities exercised in the executive category of the public service. Members of Parliament can take a look at what has been and what is happening in that category of the public service. At $26,000, including the tax free allowance, the remuneration of Canadian parliamentarians are still quite below that of representatives in the United States. In the United States the salaries are far ahead of those of Canadian parliamentarians. I have often wondered why the British government allows the salaries and facilities of Members of Parliament to be so dismally low. I cynically think to myself that any government or any party which wanted to render Members of Parliament less effective would give them the least possible facilities and the least possible money so that they would have to spend much time away from Parliament earning their living, and so that when they came to Parliament they would not have the services and accommodation that would enable them to represent the people.

Some people may think a good model is the British member who we see on a bench in a corridor dictating to his secretary, who I suppose probably is someone else's secretary as well. Certainly, that kind of approach is not one to which we generally subscribe in this country, nor is it supported by the Beaupré Report. We have heard from the distinguished new leader of the New Democratic Party, and the spokesman from the Créditiste party, about their concern with regard to facilities and things a member needs in order to do his job. I think it would be wrong for Members of Parliament to assist in perpetuation of the idea that the $8,000 expense account is salary. I think in this debate there can be no valid basis for disagreement concerning the method of treating the expense portion of this proposal. Mr. Speaker, any member can argue that it ought to be accountable and voucherable. That is one argument. But in my view it really is not quite cricket to argue that it can be regarded as salary because it is intended to provide a Member of Parliament with a fixed sum of money to allow him, in his own judgment, to provide those facilities and services which he thinks will enable him to best serve his constituents. In my judgment, in view of the other responsibilities we exercise daily, it is not too great a responsibility to give this opportunity to a member to decide how he will determine the allocation of the $8,000 and not oblige him to come back and have his accounts vetted by a member of the bureaucracy who normally is interrogated, questioned and brought to heel by elected Members of Parliament.

Mr. Lewis: You mean we try.

Mr. MacEachen: So, it has been felt wise to preserve the allowance feature. Therefore a clear distinction is made between what a member receives in indemnity, $18,000 under the proposed legislation compared to $12,000 at present, and what he receives as an allowance to enable him to discharge his function as a member. This will rise from $6,000 to $8,000. I should like to make clear that the government's thinking in providing the $8,000 allowance, and in increasing the amount of the allowance by $2,000, is to assist members in providing additional facilities or services for themselves in order

better to serve the public. The need for such services is repeatedly stressed in the Beaupré report.

• (4:00 p.m.)

The $8,000 so recommended can be used by the member for accommodation in Ottawa, for a certain amount of travel including travel in his constituency, accommodation away from home and facilities in his constituency for keeping the member in closer contact with the electors of his riding. We are, therefore, recommending non-accountable expenses of $8,000 following the policy and tradition of this parliament since 1945. It will be recalled that the tax free allowance was introduced, I believe, in 1945 "for expenses incidental to the discharge of his duties as a member". In successive revisions since that time the principle of the allowance has been preserved, relating directly to the discharge of duties encountered by a Member of Parliament in his role as a Member of Parliament. I want to emphasize, with regard to the provision of facilities for constituency purposes, that the allowance is intended to enable the member to provide those facilities which in his own judgment are best suited to the needs of his particular constituency and in the way in which he can best use that sum of money to serve his constituents.

The elected member should have the authority and responsibility, in our view, to apply the allowance in a manner appropriate to his own particular situation. The Member of Parliament is continuously accountable, it seems to me, in a much more meaningful and relevant way to his fellow members of the House of Commons, to public opinion, and to the electorate. He will be required to give an accounting, and is giving an accounting, for all his activities to all these observing groups at all times. Surely, they will observe also and take him to account for the way in which he deals with the responsibility that he has now.

The considerations which the Beaupré committee used in reaching their conclusions on services are found on page 39 of the report. I will not repeat them here, but these were the considerations that led the committee to conclude that the welfare of Parliament demanded an increase in facilities and a substantial increase in salaries. We have differed somewhat in method from the recommendation of the Beaupré committee, but our approach favours the same goal. I have stated already the reasons which led us to reach this conclusion.

I want to make one point, and I think it is important to make it, that if you examine the Beaupré report and you make a list of those items of expense for which the Beaupré committee said members should be reimbursed, and if you put a figure on these, which is not hard to do, you will find that the total of these recommended expenses which should be met out of the public purse will, according to Beaupré, reach at least $8,000. The hon. member for Malpeque (Mr. MacLean) said that his total was in excess of $8,000. The expenses which Beaupré said should be reimbursable on voucher will at least reach $8,000 in my view, and I agree with the hon. member for Malpeque that it exceeds $8,000. So, we are really attempting to implement the facilities proposals of Beaupré. All we differ in is the method, whether it be by submission of vouchers or through a fixed sum, with the responsibility in the hands of the member. That is the difference in method, and I believe there can be valid differences of opinion on that approach. The cabinet has certainly given very careful consideration to this matter and has concluded that it would be more in accord with the position of Members of Parliament to maintain this tax free allowance non-accountable.

My colleagues will recall that this was a very important point of argument, and the conclusion was reached on the basis of principle that we ought to maintain this, not because of any personal status which we want to confer on ourselves individually, or because of any personal glorification. We will pass out of here in due course, perhaps some of us quicker than we would like, but other Members of Parliament will come in to perform that office. We think this type of method is more in keeping with the traditional role of a Member of Parliament.

Today we had a question of privilege. It was on the grounds that Members of Parliament had a right to visit penal institutions. Presumably because the job demanded a particular independence that no other citizen required, Mr. Speaker made clear that Members of Parliament enjoy certain privileges under act of parliament which no other citizen enjoys. We can say what we please in this House within our rules. Why have we been given this special privilege? It has been given so Members of Parliament, as representatives of the people, will be able to speak freely without fear or favour.

Some hon. Members: Hear, hear!

Mr. MacEachen: They will have the independence to say what they think is necessary without fear of reprisal of any kind. If a member exceeds the bounds of good conduct, the House will discipline that member, but it is a special privilege.

Mr. Lewis: For which we should get paid?

Mr. MacEachen: What I am arguing is—and I believe the hon. member will follow the argument if he does not agree with it—that Members of Parliament have certain privileges that no other citizen has in order to maintain their independence. That is the point. There are precedents. This situation was not created by this government or by this Parliament. It was created a long time ago. The Senate and House of Commons Act says that Members of Parliament shall have immunities, privileges and powers equivalent to those powers and privileges enjoyed by members of the British parliament. These continue for reasons that I have stated.

It may not be a great point, but I think the point is worth making, that we should preserve the independence of Members of Parliament and their status by not equating them to other civil servants who have to submit their accounts for minute examination. That is the only point that I am making. You can disagree with it or not, but I thought I should explain to the House that this is the reason that we have adopted this approach.

I should like to say a few things in conclusion. We agree, I believe, that we cannot afford to close out parliamentary life or parliamentary careers to men of modest means. Over the years, the principle followed has been that of attempting to draw a line between what is necessary as adequate compensation for those without private income while at the same time rejecting the principle that parliament shall be made attractive purely as a source of income. I think we have tried successfully to accomplish these objectives in this measure. I do not see any great danger of people running for parliament purely in order to obtain the remuneration and allowances spelled out in this measure. If they did so, I think they would be fooling themselves and I do not think in any such situation they would likely be elected. We do not need to ask the Beaupre Committee to tell us of the definite possibility of some hon. members, who otherwise might have been constrained to withdraw from public life in order to provide adequately for their families and meet their responsibilities, now being able to reconsider. One can only visualize cases of competent and able persons prevented from standing for a parliamentary seat because of financial obligations who will now be able hopefully to make their services available. That, at least, is one of the purposes of the proposed legislation.

• (4:10 p.m.)

Anyone who is a member of this House knows the problems that have to be faced. They are recognized in the Beaupré committee report and in other studies over the years. The government is certainly not going to try to sell the measure to the House. Members will act according to their own personal assessment of the situation in which they and others find themselves.

In looking over the debate in 1954 I came across a statement by the then prime minister, Mr. St. Laurent. When introducing the legislation on that occasion he made the point which the hon. Leader of the New Democratic Party made on Monday. He said:

> Hon. members will appreciate, however, that these recommendations, which affect all of us in Parliament personally and directly, present an unusual situation. All of us feel reluctance to do for ourselves what we would not hesitate to do for others.

This is a difficult situation and makes the advocacy of this particular bill not the most pleasant task for a minister like myself, who usually has come into the House in support of measures affecting a broad class of people other than Members of Parliament. However, the job has to be done and it has been made clear in all the debates that nobody can take this responsibility except the government. We feel that in this instance, and based on a lot of thought, the move we are making is in the best interests of Parliament and not just the member for Cape Breton Highlands-Canso (Mr. MacEachen) or the member for Malpeque (Mr. MacLean) or the member for Winnipeg North Centre (Mr. Knowles), but Parliament as a whole. It is in that spirit that I believe we ought to consider the measure.

Mr. St. Laurent made this further comment:

> However, all of us have a duty to consider first what is advisable in the interest of upholding and strengthening our democratic parliamentary institutions, and I ask every hon. member on both sides of the House to put aside all personal or partisan considerations and to approach the consideration of this resolution and the consequent legislation in an objective spirit, and deal with it not because of the way in which it may affect him personally, but in the way in which he honestly believes will be in the best interests of our Canadian parliamentary institutions.

Some hon. Members: Hear, hear!

Mr. MacEachen: Later, an amendment was made by the then hon. member for MacLeod that would make the proposal at that time optional. In other words if you wanted to take the salary, there would be a clause in the bill giving you that option. The prime minister of the day refused that amendment because he said the bill had to be considered not on what was the wish of any individual member, on whether he wanted to take it, but that these measures ought to be judged on what was good for the institution of Parliament. That is the spirit in which I am proposing this bill to the House and I hope I have displayed that spirit in making my presentation.

Some hon. Members: Hear, hear!

Hon. J. A. MacLean (Malpeque): Mr. Speaker, the motion before the House is for second reading and reference to the Committee on Procedure and Organization of Bill C-242, which deals, among other things, with the question of increasing the pay and allowances of members of Parliament. As the President of the Privy Council (Mr. MacEachen) has said, this is not a task that any of us look forward to or relish, but nevertheless the responsibility rests with the government to bring in the proposed measure and with Parliament as a whole to determine what its fate will be. This being the case, there is no way that we can avoid our responsibility.

Members of Parliament must therefore look objectively at this problem as it affects this institution and its future, and as it will affect the men and women who will replace those of us who sit in this chamber at the present time. I refer to the young men and women just starting their parliamentary career who would look forward to a considerable number of years in the service of this chamber. It would be easy to cater to the fact that the general public may be lacking in information with regard to the peculiarities of the duties of Members of Parliament. It is therefore a rather thorny nettle that we must grasp but we must grasp it now. I feel that nobody should look upon the sessional allowance of Members of Parliament as a salary for the simple reason that nobody should consider service in this House of Commons as a career that they can choose as young men and look forward to as a way of providing a livelihood in their productive years. Anyone who looks to service in the House of Commons from this selfish point of view, as something that he sets out to do, usually does not get here. Rather he may end up in some university teaching Political Science, but he certainly would not be elected as a Member of Parliament because the very opposite is the case.

Members of Parliament, as a rule, do not put themselves forward in the first instance as candidates for nomination by a political party; by the reverse process, political parties representing bodies of opinion throughout the country seek the man they think will attract the greatest confidence of the greatest number of people in the area and they call upon the electorate to elect him. He is not home free yet by any manner of means. He is then subject to an election campaign where he is presumably running against two or three others who are the best people their parties can find in that area. Only one can win; there are no second prizes in this business. Having gone through that process, he has no security of tenure. He is subject to re-election, usually at least every four years. Over the last period of years elections have been much more frequent than that. I have not served in this chamber for quite 20 years, yet I have had to win eight elections.

• (4:20 p.m.)

Some hon. Members: Hear, hear!

Mr. MacLean: What I want to try to impress on the chamber is that we are not looking at a salary that can be accurately compared with a salary in any other field of endeavour. To begin with, the salary does not increase automatically as one gains experience and as one serves over a period. The fellow who has been here for 30 years, and since confederation several members have served here for 30 years, gets exactly the same as the fellow who was just elected in the last election. In other words, you do not get more simply because you have been here for a long time, or succeeded in staying here for a long time, unless you happen to be given the opportunity of taking on additional responsibilities or are made a cabinet minister. I shall say more about that later.

So, the ordinary criteria that apply to suitable remuneration in an ordinary career cannot validly be applied to the remuneration for serving in this place. It is difficult to know any field with which one can validly compare this place. It occurs to me that an allowance one is paid here is something like damages. When somebody, through negligence, causes an accident that destroys some person's ability to carry on an ordinary career and earn his ordinary means of livelihood, damages are paid. There is an element of this in the sessional allowances paid to Members of Parliament. Many members are pressured, I might say, into running for Parliament by their parties. They are elected because they are doing well in their careers. Usually at that time when they are making a good living and they should be consolidating their positions. Sometimes they serve here as members for one or two parliaments, and are defeated. When they go back they find that the business they had built up or the professional career they had established as an income producer has been virtually destroyed, and they must start over again at great financial sacrifice to themselves. That is why, basically, we must look at the salary in the first instance as a sessional allowance.

What is an appropriate figure? As I have said, it is difficult to be just in this matter. We should need the judgment of Solomon to come down with a figure, applicable to every member of the House, that would be fair. It is difficult to do, since what we are trying to do applies to ourselves and our colleagues. Therefore, as the minister has said, we must try to remain somewhere between two levels, between the figure that would be so attractive that people would seek election to this place for monetary gain and the second, lower figure, below which Canadians except those of independent means would be completely precluded from serving in Parliament. I sincerely believe that we are well below that figure now and will be below it until this legislation is passed. The proof of that pudding is that there are a number of members in this House who, if the indemnity were not increased, could not in conscience continue in this House. They would have to refrain from running in the next election in the interests of maintaining their obligations to their dependents and to themselves.

As I said the other day, there are roughly three categories of members in this House: those of independent means; those who can serve here as a result of a combination of favourable circumstances; and those who, if the present situation were to continue, would have to discontinue membership in the House if they were to be fair to their families. On a different occasion the wife of a member made a caustic comment to me. She said, "You know, I worked for two or three years to put my husband through college. We had to pay for him for the last three years until he got his degree. I didn't expect that I would have to work for a number of years to put him through parliament as well."

Some hon. Members: Hear, hear!

Mr. MacLean: May I say a word about the amount that has been recommended by the minister. I ought to say at once, and I neglected to say this at the beginning of my remarks, that this is not a party, political matter and, therefore, I am not in a position to bind the stand of members of my party on this bill. Nor would I wish to do so even if I could. I think it is fair to say, nevertheless, that the vast majority of members of the official opposition agree with the proposition that, in principle, something must be done. Since we have gone through a long period of inflation and rising costs, I deplore the fact that there has been such a long period without adjustment. The longer such a period is, the more difficult it is to adjust the matter fairly and accurately.

I point out that when wages increase by 3 or 4 per cent per year, each year's increase is a percentage of the previous year's total. Wages, therefore, increase as compound interest increases, in geometric progression. If our salaries had been increased by 6 per cent every year for the last eight years, the amount would be $19,000 and not $18,000. If the increase had been 5 1/4 per cent for seven years in a row, the total amount of the increase would have been greater than 50 per cent of the original at the end of eight years. A 6 per cent increase every year for seven years is a little bit greater than a 50 per cent increase in a "slap". I am not putting these figures forward in justification of the figure suggested. I am pointing this out in passing.

Actually, in my opinion, the increase in salary is a little high; on the other hand, if there is to be another long lapse before another adjustment is made, it is not adequate, especially if the erosion of the value of the dollar continues in the future. I recognize that the government probably arrived at the figure of $18,000 because they were not completely free to go below it when all considerations had been taken into account. One consideration is that we are amending the Members of Parliament Retiring Allowances Act. The retirement allowances that were provided by the amendments to the act last year were long overdue. They are now adequate, but no more than that. I do not agree with one aspect of that legislation, but on the whole the legislation which was passed last year is reasonable.

• (4:30 p.m.)

I do not think there was any justification or logic in making our allowances for expenses, now $6,000 which will be increased to $8,000, a part of the amount on which we should be able to contribute for our retirement. That was completely illogical. Even if the government has had to raise the salary figure a little higher than it intended, by making it $18,000 and by amending the Members of Parliament Retiring Allowances Act, I am pleased that they thereby kept retirement contributions and benefits constant and now will have them only on the indemnity side of the benefits where they logically should be.

I wish to make a couple of other comments in passing. Although the minister did refer to it briefly, he did not say much about the fact that the government is not recommending any increase in the salaries of office holders, namely the cabinet, parliamentary secretaries, Speaker and others of that category. As a result of that, the differentiation between the remuneration of a backbencher and the office of Prime Minister, cabinet minister or Speaker has diminished substantially. That is as it should be.

When the very large differential was established between the sessional indemnity of a private member and a cabinet minister, it was justified because the office holders were required to remain in Ottawa and work all year. In those days, the sessions of Parliament were relatively short. at that time members of Parliament could apply some of their time in the course of the year to their ordinary occupation. That is no longer the case. The sessions of Parliament have increased to such a degree that not only the office holders but the private Members of Parliament are here virtually all year. This is a full-time job. There is not as much need for a wide differential between the two classes.

I recommend, however, that a review be made in the very near future of the pay of office holders. If and when this bill passes, a review of the position of office holders should be reviewed in the light of this legislation with a view to adjusting it upwards in some cases. I believe that the salary of the office of Speaker is not adequate. The position of members of the government should be reviewed, including the positions of Prime Minister, Leader of the Opposition, parliamentary secretaries, whips and others.

An hon. Member: And House leaders.

Mr. MacLean: It is not appropriate that the person holding the office of Prime Minister of this great country should receive roughly the same remuneration as a deputy minister. That is what the position will be in the very near future. If it is not adjusted, it will not be too far from that. I have no firm recommendations to make on this at the moment, but it is something which should be reviewed in the not too distant future.

Amendments are also being made to the Members of Parliament Retiring Allowances Act. As I have said, it was appropriate for the government to draw this bill in such a way that the increases in the sessional indemnity and allowances will not be changed with regard to the size of either the benefits or contributions to be made in connection with retiring allowances. It is appropriate that the contributions should be based only on the sessional indemnity total amount which Members of Parliament receive. That is as it should be.

Because this act is being opened, it gives me an opportunity to make an observation. There were a number of Members of Parliament in the last Parliament who for various reasons such as age and health are no longer members because they did not stand for Parliament in the last election. I am not speaking about the people who stood for Parliament and were defeated. That is their tough luck. I am referring to those who did not stand for Parliament in the last election. After long years of faithful service to the people of Canada, they forfeited the benefits which would have accrued to them had they been in this Parliament when the Members of Parliament Retiring Allowances Act was amended. I realize it is difficult to do anything retroactive for ex-members of Parliament, but it is within the power of this government to compensate for this situation in other ways. I hope the government will examine the situation and make suitable appointments or something of that sort to a few outstanding cases in this field.

There is very little else I want to say at this time. I believe that most members of the party I represent are in agreement with this bill in principle. I hope it will be given second reading and referred to committee for detailed study within a reasonable time.

Some hon. Members: Hear, hear!

Mr. David Lewis (York South): Mr. Speaker, I want to begin my remarks by saying to the President of the Privy Council (Mr. MacEachen) that I very much appreciate the tone in which he introduced the bill and the sincerity with which he obviously spoke. I appreciated his approach to it in a way that did the best that could be done for the bill which he presented. Even though I am going to express opposition to it, I hope that in my remarks I can match the same approach of responsible discussion as he did in the introduction of this bill.

Senate and House of Commons Act

• (4:40 p.m.)

The President of the Privy Council said the government was introducing this measure, not for the benefit of any particular member or members in the House, but in the best interests of Parliament. I want to say that my opposition to this bill derives precisely from my concern for the best interests of Parliament in the eyes of the people of Canada. I think it is impossible for the government or for members of this House to ignore the economic and social context in which the bill before us is being introduced and discussed. If we were living at a time of relatively full employment, with two or three per cent unemployment only, if the promises of three years ago had been even partially fulfilled and some of the inequalities in our society had been lessened, if not removed, if we could look at what Parliament and this government had done in the last three years and feel the people had really benefited from efforts to eradicate or at least to reduce the injustices in our present society, then the President of the Privy Council might have a situation on which to base his statement that he was bringing forward this proposal in the best interests of Parliament.

As things are, I do not believe the bill will serve the best interests of Parliament. I can think of no better way of putting it than the words the minister quoted from Mr. St. Laurent when he was prime minister in 1954. He was quoted by the President of the Privy Council as saying, in connection with a bill of the kind presently before us: "All of us feel a reluctance to do for ourselves what we would not hesitate to do for others." This is what worries me. Can the people of Canada really think that this is the case when they consider all we have failed to do for the poor of Canada, or the limits we have placed upon what we are prepared to do for the old age pensioners in Canada, or the deliberate creation of unemployment throughout the country as a result of government policies, or our failure to remove the slums in this country or even to affect them appreciably, or our failure to build homes for the people who so desperately need them, or the mincing steps we have taken to clear pollution from the environment of our cities, or to clean up the air and waters of Canada for the benefit of the people? Can we sincerely agree with Mr. St. Laurent that we would not hesitate to do for others what we are prepared, now, to do for ourselves? I suggest we cannot, because it is not a correct statement, and because we cannot do so I submit we cannot in conscience support the proposition placed before us today.

Too many millions of people are today suffering deprivation of an extreme kind, and we have taken only a very few uncertain steps to deal with this situation. I am not making an attack on the government only; I suspect that other governments would encounter similar difficulties with respect to some of these intractable problems. But it is in this context I am obliged to look at the bill before us. I cannot support it. I cannot support it because I can imagine what all these people will feel. And there are millions of them. I am not thinking about one per cent of the Canadian people. I am thinking about 80 or 90 per cent of the Canadian people, half of whom are living in poverty and the other half in extreme financial and economic difficulty. I am thinking about the overwhelming majority of our people, not only those in the industrial plants, in the mines and in the forests, but working people on the farms who are going through a situation of extreme financial want and inadequate cash income.

These are the people we are asking to make our situation relatively quite comfortable. I cannot agree to this. I cannot accept the notion that we have in fact been ready to do for others what we are prepared to do for ourselves, because we have not. Representatives of the government, and the Prime Minister (Mr. Trudeau) himself, have gone about the country saying to the workers: You must not take more than 6 per cent. The Chairman of the Prices and Incomes Commission says: You must not take more than 4 or 5 per cent. The Governor of the Bank of Canada says the increases received by ordinary workingpeople are too high, that they must come down. This is the context within which the present bill is presented. This Parliament has said to the people of the country generally—and even though I disagree with these statements I am a member of the House: You will have to accept a situation of difficulty and economic pressure, of financial inadequacy. To the poor we have said: We sympathize with you, but you must continue to live in poverty and degradation. To the unemployed we have said: Because we are fighting inflation we shall create unemployment, and we have done so.

I feel it is impossible to support this bill for four simple reasons. First, because of the size of the increase, if any increase is justified. There are Members of Parliament who have been in difficulty and one must recognize that some increase is justified. But this is too much. Second, I object to continuing and increasing the non-taxable allowance. Even if we decided to leave the $6,000 where it was as a non-taxable allowance, any additional expenses that we allow members to charge to the public treasury ought to be on the basis of vouchers. I object strongly to the provision of seven months retroactivity. Seven-twelfths of the increase will go to Members of Parliament if this bill passes today; if it is passed a month from now it will be eight-twelfths of the total increase. We do not deal with public servants in this way; they must be satisfied with only part of the increase being made retroactive and the rest from the date of settlement. But in this case, the increase is retroactive to October 7 or October 8, whatever the date may be. I object, finally, to the method by which the incomes and expenses of Members of Parliament are adjusted.

Let me deal with each of these objections separately. I do not buy the idea of a 50 per cent increase in salary, leaving the allowance aside. The increase in indemnity proposed is from $12,000 to $18,000, that is, 50 per cent. I was among those who were defeated in 1963 before the increase took place and I did not come back until 1965. But I have had occasion to look at *Hansard*.

• (4:50 p.m.)

In 1963, the indemnity of Members of Parliament was increased from $8,000 to $12,000 and the non-taxable allowance was increased from $2,000 to $6,000. If my

memory serves me aright, in the discussion at the time it was pointed out that it was difficult to make adjustments very frequently and that the adjustments that were then made would take into account future years as well as past years. If an adjustment had been made for the past only, the increase would not have been so high. Therefore, I do not buy the argument that we go back seven and a half years, because I am certain that at least half of that time was taken into account in the adjustment made in 1963.

The simple fact is that this represents a 50 per cent increase in salary for a Member of Parliament in one crack. If it is also being done for the moguls and mandarins in the public service, I object to that as well. If they can make more in private industry, then I suggest they should go out and mislead private industry instead of misleading the government and the people of Canada, as so many of the mandarins have done and are doing now. This is too large a chunk of increase for me to buy.

As for the additional non-taxable allowance, I think expense vouchers would have been preferable. I take second place to no one in this House in wishing that the facilities of members could be improved so that we could improve our service to our constituents. I do not believe that the Bri ish system is so right. There are many things in the British system upon which we have improved. I have long ago cut my apron strings from the head of what used to be the Commonwealth and Empire but what is now just the Commonwealth, of which Britain is a member like any other member country of the Commonwealth. This has brought about a great improvement in international relations.

I see no reason for following the British example regard to facilities. I find nothing more depressing than to go to Westminster and see a Member of Parliament dictating to a secretary in the hall. I think we have made some improvements in this country in this regard. When I first came to live in Ottawa in the late thirties I remember visiting Mr. Coldwell and the hon. member for Nanaimo-Cowichan-The Islands, who had just been elected, both of whom occupied the same room. They had no secretary but had to get a typist from the pool whom they brought to their office. Although there has been some improvement, a great deal more improvement is necessary before our work can really be as effective as it ought to be. Until very recently I, like other backbench members of the House, occupied an office with my secretary. I always found awkward the fact that she had to walk the halls of this building for at least half the day while I was being interviewed or was interviewing someone in my office. So our facilities do have to be improved.

I simply could not get, no matter how much I tried, some little improvement from the government in the amount of money allocated to research for opposition parties. The $35,000 a year allotted by the government to our party about three years ago has not been increased. We have to provide for increases in staff, or for better staff if possible, out of that amount. I have spoken to members of the cabinet many times in the past two years about making some little improvement, but have always been turned down.

I say to the President of the Privy Council that this would be one improvement in facilities that would help the members of my party as well, I am sure, as the members of other parties, including the government party. I could not even get a $10,000 or $15,000 increase in order to improve the salaries we have to pay to three people, plus a secretary, plus other expenses to which the $35,000 had to stretch. We have to provide for three researchers, a secretary and meet these other expenses out of a total of $35,000.

Our services to our constituents ought to have first place. We ought to be able to afford an office and some staff in each constituency, particularly in large constituencies. I might be able to do without in my close metropolitan constituency in Toronto which is very small in area. Those who represent constituencies that stretch over tens, sometimes twenties, of miles long and wide certainly need assistance to enable them to travel in a proper manner, adequately and quickly. Such services are essential.

I should like to ask the President of the Privy Council why the expense of providing these services cannot be met by a voucher system. This would not denigrate the position of a Member of Parliament. We would have the $6,000 non-taxable allowance as before, though the Beaupré committee objected to it and I agree with their objection. With a voucher system, additional expenses would have to be set out and only those who incurred such expenses would be reimbursed.

There is no restriction on how we use the $8,000, as was the case with the $6,000 also. The problem is in the context not of mistrust of any member but in the context of the taxpayer outside the House of Commons who, before he is allowed any deductions from his taxable income, has to show how he has expended certain moneys. He has to prove his expenses. Assuming that he donates to charity more than $100, he then has to prove every penny he has spent.

The average taxpayer of Canada has the right to ask: What is it that places the Member of Parliament in such a special position that he can get eight thousand bucks a year for which he does not have to account, and with which he can do anything. It is in the context of the best interests of this institution in the eyes of the people that I raise all these points.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Winnipeg North Centre (Mr. Knowles)—Veterans Affairs—Compulsory transfer from non-taxable war veterans allowances to taxable guaranteed income supplement—Application of tax relief to 1971; the hon. member for Winnipeg North (Mr. Orlikow)—Finance—Representation of general public on banks' boards of directors.

Private Bills

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

PRIVATE BILLS

CENTRAL-DEL RIO OILS LIMITED

Mr. Hu Harries (Edmonton-Strathcona) moved that Bill S-12, respecting Central-Del Rio Oils Limited, be read the second time and referred to the Standing Committee on Transport and Communications.

He said: Mr. Speaker, the purpose of this bill is to permit Central-Del Rio Oils Limited to acquire the status of a company incorporated under Part I of the Canada Corporations Act and, subject to the provisions of that act, to amalgamate with its wholly owned subsidiary Canadian Pacific Oil and Gas Limited. The circumstances are these. The Central-Del Rio Oils Limited is a public company incorporated under the Alberta Companies Act of 1947. Canadian Pacific Oil and Gas Limited is a company incorporated under letters patent under the Canada Corporations Act. All shares issued and outstanding are wholly owned by Central-Del Rio. Canadian Pacific Oil and Gas Limited is, therefore, a wholly owned subsidiary of Del Rio.

• (5:00 p.m.)

The operations of these two companies, both of which are engaged in the exploration and development of oil and gas resources, mainly in the Prairie provinces and and in the Northwest Territories, have been completely integrated for a considerable period of time. For administrative reasons only, it is desirable at this time to amalgamate the two companies. Section 128A of the Canada Corporations Act provides for amalgamation of companies incorporated under that act but Central-Del Rio is not, of course, incorporated under that act at the present time. The Alberta Companies Act under which Central-Del Rio is incorporated provides that the company, if authorized by special resolution of its shareholders and the laws of Canada, may apply to be continued as if it had been incorporated under federal law. No comparable provision is contained in the Canada Corporations Act, hence the necessity for this bill.

The bill authorizes the Minister of Consumer and Corporate Affairs (Mr. Basford), on application of the company authorized by a special resolution of its shareholders, to issue letters patent to Central-Del Rio continuing it as a company under Part I of the Canada Corporations Act. It will then have the same status as if it had been incorporated under that act in the first place. I should point out that no change is proposed in the authorized capital or in the powers of the company and, of course, all of the rights of creditors are preserved.

In addition, the bill provides that an amalgamation agreement, adopted at a meeting of the company shareholders at which the special resolution approving the application to continue the company as a company under the Canada Corporations Act was approved, shall be deemed to be an amalgamation agreement for the purposes of section 128A of the Canada Corporations Act. You will readily understand the reason for this.

[The Acting Speaker (Mr. Richard).]

The alternative would be that a shareholders' meeting would be necessary to pass a special resolution to authorize the company to apply to become a continuing company under the federal act. Then, a second shareholders' meeting would be necessary to approve an agreement for the purpose of amalgamating the two corporations. There is, therefore, a provision in this act which avoids the necessity for these two shareholders' meetings by providing that the amalgamation agreement passed at the same time as the special resolution authorizing the company to apply for continuation under the federal statute will be regarded as an amalgamation agreement under the Canada Corporations Act.

I might add, as a matter of interest, that Canadian Pacific Investments Limited is the majority shareholder in Central-Del Rio Oils Limited. Canadian Pacific Investments Limited holds 89.27 per cent of the outstanding equity shares. Out of a total of 83,074 shareholders, 72,047 are residents of Canada and hold some 29,825,000 shares. There are fewer than 1,000 shareholders who are resident in the United States, and they hold in the aggregate only 311,000 shares. The remaining group of shareholders, about 128 in number, are resident in other than the United States and Canada and hold in total approximately 319,000 shares.

The bill really contains a simple provision which is necessary if these two companies are to amalgamate. The only alternative procedure would be to disband the existing company and re-incorporate under the federal act which is a much more complicated procedure than that proposed by this legislation. I therefore urge that this bill be accepted.

Mr. Frank Howard (Skeena): Mr. Speaker, I should first like to commend the hon. gentleman who introduced this bill for the clear way in which he explained its purpose. I followed his introductory remarks word for word and noticed that he stayed close to the extent, and that with one or two exceptions which are appropriate in this House as distinct from the Senate, his speech was identical to that of a great Canadian, Senator Manning.

An hon. Member: Senator Manning! Who is he?

Mr. Howard (Skeena): In any event, Mr. Speaker, there is something with which this House should concern itself beyond what Senator Manning said and beyond what the hon. gentleman from Edmonton has said. We should be concerned about the position of resources in Canada and the potential and existing relationship between Central-Del Rio, Canadian Pacific Oil and Gas Limited and foreign corporations. As I understand it, and this is not clear from either reading or listening, Central-Del Rio is considered to be a Canadian owned corporation in the sense that Canadian Pacific Investments owned it and that there are fewer than 1,000 shareholders resident in the United States holding $311,000 shares compared with 29 million shares in Canadian hands.

What we should be concerned about, inasmuch as we have just witnessed the end of one phase of the consideration by the government of the position of Home Oil vis-à-vis Canadian ownership, is the general expectation that the government will eventually get around to developing and making public a policy statement about Canadian ownership. This matter has been of concern to different governments for quite some period of time. It is a matter of tremendously increasing importance to Canadians from one end of Canada to the other. This is the activity to which I should like to refer.

Canadian Pacific Oil and Gas Limited, which is the subsidiary, has a 9 per cent investment and interest in Panarctic Oil which is, as we know, a consortium of a number of private companies, I think 20 in number, and the Canadian government, as the representative of Canadian taxpayers. This Parliament of Canada acts on behalf of these Canadian people in respect of an investment to the extent of 45 per cent in the equity ownership of Panarctic Oil. We are participants, along with Canadian Pacific Oil and Gas, Central-Del Rio and Canadian Investments Limited in oil exploration and development in the Arctic area.

In addition to our general concern about Canadianism we must consider what we should do in respect of acceding to the request of this company for the passage of this bill. It is my view that the Parliament of Canada should exact from the proponents of this bill—the owners of the company or companies involved—an admission that it should always be the case in the Canadian interest that a maximum be placed upon the degree of foreign ownership permitted in the oil industry or particularly in this segment of the oil industry of this country. In another way, and at another time, we determined this in so far as the banking institutions of Canada are concerned. There shall be a limitation on the equity ownership in banks. On two other occasions, this Parliament determined in respect of two insurance companies that there should be and is in fact, a limitation upon the extent of foreign ownership of those Canadian subsidiary companies. In those two instances as you may recall, Mr. Speaker, because I think on one of those occasions you were in the Chair when the House dealt with those matters, we started from the point that the company which sought incorporation by way of a private bill was in fact United States owned, and that in that regard it was a matter of putting a limitation that had involved in it a point of time as well as a percentage of ownership.

• (5:10 p.m.)

It was the approach of Parliament at that time to ask for a reversal of the foreign ownership situation to get to a point where Canadianism was the prominent factor in those companies. Here, we do not have that situation. We have a company which, according to the hon. gentleman from—

An hon. Member: Edmonton-Strathcona.

Mr. Howard (Skeena): —Edmonton-Strathcona (Mr. Harries)—I apologize for not knowing the proper name of the hon. member's constituency but in order to remember names of constituencies one must have the opportunity to hear them often and this has not been my privilege in this case. In any event, according to the hon. member for Edmonton-Strathcona and Senator Manning, there is a large degree of Canadian ownership within this company. I think this Parliament should continue that large degree of Canadian ownership. I think we should incorporate some type of provision in this bill. I am not attempting to draft the words of it now because that would become a technical and legal matter. However, I believe there should be some provision in this legislation which would limit for all time the extent of foreign ownership in this particular company.

I believe a similar approach should be taken in respect of the other bill concerning Mic Mac Oils, but we have not looked at it sufficiently to determine what the inner corporate structure of that company is. This is a Canadian firm and we should be concerned about what is best for Canada. I think it would be well, through you, Mr. Speaker, in an indirect way to ask the hon. member for Edmonton-Strathcona if he would communicate to the principals of this company, the board of directors or the lawyer representing the company, the fact that it has been stated in Parliament—it is true by only one member so far—that this bill should have contained a provision which would limit the amount of foreign ownership in the company. In this way, it would remain Canadian by declaration of this Parliament. I am not at this moment advancing any arbitrary figure because I have none in mind. I think one would have to look at the relative percentage of ownership involved. Does the hon. gentleman from Edmonton-Strathcona desire to ask a question?

Mr. Harries: With your permission, Mr. Speaker, I suggest this bill is going to the Standing Committee on Transport and Communications and at that time it would be our intention to have as many of the officers of the company as required there. I believe that would be an excellent time to discuss this particular matter with them, if that would be satisfactory?

Mr. Howard (Skeena): Mr. Speaker, that would be quite satisfactory. However, I think it would be even more satisfactory if we had some indication from the hon. member before the bill receives second reading that there is a commitment on the part of the company to the proposition we are making, so that it would not be just a simple matter of answering questions. On the two previous occasions on which Parliament dealt with legislation of this nature and put some delimiting features in the legislation, if that is any precedent, the amendments were drafted before the bill received second reading. That would seem to be a reasonable way to do it in this case. I would be glad to accommodate the hon. gentleman at some subsequent time when the matter is revived for second reading by permitting him an opportunity to disclose the type of information he receives from the principals behind this bill. If there should be agreement in respect of what we propose concerning foreign ownership, then we could give second reading at that stage and proceed to the consideration before the committee.

At the conclusion of my last remarks, the hon. member leaned back in his seat probably as an indication that he is not willing to accept the suggestion I made. But I believe it would be a very pertinent and worthwhile thing to do because we are dealing with the resources of Canada. Some of these come under the jurisdiction of the provinces pursuant to the BNA Act, but none the less they are resources which should be available for the use of Canadians.

I think it might be worthwhile to look at what Central-Del Rio Oils Limited comprises in so far as its ownership of producing oil and gas wells and the leases it holds and so on are concerned. We could then see what is involved at the moment, without looking into the future to see what advances this company may make. Central-Del Rio Oils Limited has a wholly owned subsidiary Canadian Pacific Oil and Gas Limited, and another wholly owned subsidiary as well, Leduc Limited in the United States. There is also Canadian Pacific Oil and Gas of Canada Limited which carries on operations in the United Kingdom and an affiliated company, Minerals Limited in the province of Saskatchewan. At least this is the information provided by the Financial Post Survey of Oils, 1971.

• (5:20 p.m.)

Central-Del Rio Oils and its subsidiaries hold interests equal to more than 705 oil and gas wells and some 20 million acres of oil and gas rights, chiefly in western and northern Canada. The company specifically owns mineral titles, Crown and freehold leases covering 11,787,827 gross acres in Alberta, Saskatchewan and Manitoba of which 2,926,409 acres are under lease or sublease to others, with the company reserving a royalty, and are therefore excluded from a table which I have here. Unleased mineral title lands are included within the table. I did not refer to the table because I do not think it is necessary at this stage to list in detail what these holdings are. In addition, mineral titles are held on 1,800,000 gross acres on Vancouver Island, B.C., as are mineral prospecting permits covering 332,490 net acres in Keewatin district in the Northwest Territories.

The company in the first half of 1970, just about a year ago, purchased 4,160 acres for $1.1 million at West Pekisko and West Quirk Creek in Alberta; 60,000 acres for $800,000 in northeastern B.C.; and additional interests in southwestern Alberta and the Fort Simpson area in the Northwest Territories. One of the things which we could probably explore about these purchases is that presumably—and this is not clear from the Financial Post Survey of Oils 1971, I am just speculating about the possibility of what exists here—the $1.1 million which they paid for the 4,000 acres in Alberta was simply paid for the rights and not for any producing wells. If that is the case, it is almost like real estate speculation in which someone buys a lot of land or acquires leasehold rights to it and then sells those rights with the consequential sale price being reflected in whatever the commodities are that are produced later on.

In other words, I am sure that this $1.1 million which was paid for the 4,000 acres in Alberta and the $800,000 which was paid for the 60,000 acres in northeastern British Columbia will eventually show up, if it has not already, in the price which consumers pay for gasoline, for fuel oil and all other oils as well as for natural gas. Also, it will add to the inflationary trend in the price of gas and oil. In addition, it will add to the inflation which arises out of speculation, not out of the actual cost of exploration and development which is probably a legitimate cost. I say again that I am guessing that that is what has happened here, and if it is inaccurate, I am sure the hon. member for Edmonton-Strathcona (Mr. Harries) will correct me when he closes the debate on second reading, if that time ever arrives.

At the end of 1969, Central-Del Rio and Canadian Pacific Gas owned the equivalent of 428,000 oil wells and 266 gas wells. Since that time, some additional wells have been developed. It has a 75 per cent working interest in a 1970 gas discovery at North Bragg Creek in Alberta which has an open flow potential of more than 100 million cubic feet per day. This well went into production in the summer of last year, incidentally, and there are quite a number of other gas discoveries which it is not worth while going into at this time. I am just citing these figures to show that there are some rather extensive holdings of resources which should primarily be used for the purpose of serving the interests of Canadians. We can do that in one way, by preserving an element of Canadian ownership in the companies themselves, and it is for that purpose that I recite the information.

At the end of December 1969 there were net reserves, after royalties, of a certain number of barrels of oil and a certain quantity expressed in millions of cubic feet of natural gas as well as a certain quantity of long tons of sulphur, which were proven reserves. There is an interesting item here, and I am not that familiar with the intricacies of working relationships between one oil company and another oil company, but the phrase which intrigues me and which appears in brackets here relates to royalties. With respect to reserves, it says:

At December 31, 1969, net reserves (after royalties) were as follows:

I wonder whether or not "after royalties" means some of the royalties to other companies to which the company is indebted. I am not sure what that means, but in any event it indicates that there are proven reserves of 165 million barrels of oil.

The Acting Speaker (Mr. Richard): Order, please. I regret to advise the hon. member that his time has expired.

Mr. F. J. Bigg (Pembina): I wish to give general approval to this bill. There is great need for oil development in Canada, and if we are to argue for Canadian participation we have to expand our development of Canadian oil. There is a great danger at the present time if we do not do this that the development of oil on Prudhoe Bay and other fields in the North and South American complex will be taken over at a time when I think oil development is an important link in our economic need. I agree with the last speaker, however, that we must insist that every effort be made to keep not only

our oil resources but all other resources under Canadian control, in so far as we can. This is impossible unless we have tax concessions which would be at least equal to those enjoyed by U.S. companies in our country. So, as the mover of the bill is on the government side, I hope he will keep this in mind and make sure that he uses his not inconsiderable influence to see that there are indeed changes in our tax laws so that Canadians can participate with their own money when they can buy these shares.

It is impossible for us to buy shares in these companies unless we can compete, and one of the reasons that we cannot compete is that the United States, with its 200 million people, has ten times as many people in the market for our Canadian industries. They have a tax advantage, of up to at least 20 per cent compared to Canadians. Of course, this is a bonanza.

The argument that to pass this bill might increase inflation makes me speechless. Quite the reverse is true. Because the oil industry is capable of reducing costs, this is what they are trying to do. They are trying to cut down their overhead, and this saving should be passed on to the shareholders of the company. If the shareholders of the company are to be Canadian, then they will receive a bigger return for the share dollars that they put into the company. Whether or not these two companies, when they amalgamate, will be more active in the exploration field rather than in the speculation field, who can say. The oil business operates under the free enterprise system. I imagine that my friends to the left would criticize this, saying that it should be entirely state owned. I am not one of those who believe that state ownership necessarily improves the efficiency of any industry, certainly not the oil industry where the know-how is in the hands of private development. Had it not been for the private development know-how of the Americans, we would have had no oil industry in Canada. So, I do not think we would be quite fair if we did not give them some consideration, after allowing them to come here and do the pioneering in this industry.

• (5:30 p.m.)

I would oppose any suggestion that we nationalize or expropriate any private enterprise. When this company receives its charter to amalgamate and cut down overheads, I hope it will proceed as soon as possible with the extraction of oil from the Athabaska tar sands. Only yesterday I heard from a man who is supposed to be an expert in this field that there is no need for us to take oil from the Arctic because there are great, known reserves in Alberta sufficient to handle Canadian needs. Apparently the reserves in the Athabaska tar sands are astronomical; indeed, I have never heard a figure of less than 200 billion barrels mentioned.

We are relying entirely on American risk capital at this time, Mr. Speaker, and I feel this is a mistake. Here is a company with a great future and a great opportunity to get into this field and develop the Athabaska tar sands for Canadians. Surely we should be the last people to stop them. Instead of nationalizing the oil industry, I think we should do all we can to put money into this endeavour. At a time of world need this reserve of oil may well become the lifeblood of western democracy, and surely it is our duty to spend the money, even on a defence budget, to make sure that it is developed. In North America it is far removed from the danger of atomic submarines and is as safe from air attack as anything can be. Surely it is up to us to see that this great reserve is developed as rapidly as possible.

Taking the long view, even looking to the days when war will be no more, we can see that the need for oil will be doubled in ten years and perhaps quadrupled in 20 years, and even with the Prudhoe Bay find we may not have sufficient to meet all requirements. We need the Athabaska tar sands with its 200 billion barrels—and that is a very conservative figure; the reserves would probably run to four or five times that figure if we did more exploration. It is easy to see what is there; great quantities of oil are staring us in the face, waiting to be extracted. It is very high-grade oil which is more expensive than oil taken from wells, but exploration costs are practically nil and the size of the reserve is tremendous: we should not ignore it.

I take pleasure in seconding the motion for second reading of this bill which still has to go through committee where the question of percentage of Canadian ownership will be thrashed out. Then we will have no need to provide this added incentive unless the two companies involved play ball with the Canadian people.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, like some other members of this House I had not anticipated the opportunity of speaking on these oil bills. Some of us were pleased that the bills had been handled in another way and were surprised to find two bills concerning oil companies on the order paper for discussion at this time. Over a period of years I have been concerned about how we should provide for the control of natural resources in basic industries remaining in Canadian hands. It has been suggested that we nationalize industries to achieve Canadian control, that we regulate for Canadian control or, as we did with Panarctic, that we buy for Canadian control. I think most Canadians are of the opinion that it is necessary to ensure that resource industries in Canada are controlled by Canadians.

I have considered the complexities of this company, Mr. Speaker, and I presume that it is really the Canadian Pacific Railway Company, Canadian Pacific has a holding company, Canadian Pacific Investments Limited, they have Central-Del Rio Oils Limited for exploration purposes and under that they have several other direct subsidiaries such as Pacific Oil and Gas and a 9 per cent interest in Panarctic Oil Limited. My colleague read from the Financial Post Survey of Oils, 1971, some of the properties held by this company. I presume they include most of Vancouver Island and a large part of all the provinces. Listed in this survey are some of their holdings in terms of areas in which they develop.

This is not an oil company, Mr. Speaker; it is a company which owns, controls and participates in a very large portion of the development of Canada. Yet we are not

informed by the mover of the bill or the ex-premier of Alberta, who now is in the Senate and is sponsoring this bill, what guarantee can be given to the Canadian public that this company will remain in Canadian hands. It is pointed out that at the present time the majority of shares are held by Canadians.

It is interesting to note that the mover of the motion indicated that Canadian Pacific Investments Limited is the majority shareholder in Central-Del Rio Oils Limited. Canadian Pacific Investments holds 89.27 per cent of the outstanding equity shares. Out of a total of 83,074 shareholders, 72,047 are resident in Canada and hold some 29,800,000 shares. Less than 1,000 shareholders are resident in the United States and hold an aggregate of approximately 311,000 shares. The remaining 128 are residents of countries other than the United States and Canada and they own approximately the same number of shares as the United States residents.

Mr. Speaker, we have only recently become vitally concerned about Canadian control. As the hon. member for Skeena (Mr. Howard) pointed out, we have in a number of ways in the past tried to ensure that ownership of Canadian industry would remain in Canadian hands. I presume that in its investment portfolio the Canadian Pacific Railway has found it lucrative to keep its money in Canada. I presume that employees' pension plans are involved and that large investments have been made with moneys originally given to Canadian Pacific in the way of grants. I believe there is a possibility that control over some of these matters may be transferred to nationals of another country. This danger was forcefully brought home to Canadians recently when they tried to involve themselves in retaining Home Oil Company under Canadian control. The agonizing which I am sure the government went through resulted in the proposal that if a Canadian owner could not be found for the company, the Canadian government was willing to spend money to make sure that the company remained under Canadian ownership.

• (5:40 p.m.)

The oil industry is vital to Canadians. Only now are we becoming concerned about the environment. We want to control environmental pollution and the use of carbon by-products. We are thinking of substituting natural gas for other forms of energy. Only now are we taking steps to ensure that there will be enough Canadian companies with sufficient reserves to meet the projected future requirements of our population. Any company coming before Parliament would be remiss in its duty if it overlooked the desire of Canadians to retain ownership of Canadian companies. Any company coming before Parliament ought to consider these factors.

I am confused about what this company wants to do. The mover of the motion suggested that one could readily see the reason for this action because the alternative would be that a shareholders meeting would be necessary to pass a special resolution authorizing the company to apply to become a company under the federal act, and after that a second shareholders meeting would be necessary to approve the amalgamation of the two corporations. The provisions of this bill make it unnecessary to hold these two shareholders meetings. It provides that the amalgamation agreement passed at the same time as the resolution authorizing the company to apply for continuance under the federal statute will be regarded as an amalgamation agreement under the federal Corporations Act. Hon. Senators may readily see the reason for this action, but as a member of this House I do not see it.

I suggest that it might have been easier not to involve members of this House in the manipulations in which Central-Del Rio Oils and Canadian Pacific Oil and Gas are involved. Whenever this House has been involved it has been our contention that we ought to know what we are involved in. I should understand what I am voting for and I am under the obligation of putting in my five cents' worth in debate.

As I have said, I support the idea of Canadian control of these companies. I am not suggesting that the company in question is not under Canadian control. I am only saying that for some time I have been of the opinion that we should write into bills like this provisions which would ensure Canadian control. Despite anything hon. Senators may have said, it might have been much simpler had the two shareholders meetings been held, even though it might have cost a few bucks.

I should like the sponsor of this bill, on behalf of Central-Del Rio Oils, to advise us what additional steps the company is prepared to take in order to accomplish what I suggest ought to be accomplished. Will any clause of the bill be amended or changed in order to accomplish that purpose? It has been necessary sometimes to represent the public interest through members on boards of directors. That has been done without share capital being acquired. There have been cases, as with Panarctic Oils, where we have found it necessary to control 45 per cent of the investment and exercise control that way. I am not sure if that method accomplishes what we seek.

I believe there ought to be inserted in the bill of any company seeking incorporation a clause to the following effect: If the company ceases to be under the majority control of Canadian shareholders normally resident in Canada, its charter shall be null and void. Then we would be assured that the company would remain Canadian.

This company is not small. A company that owes the bank $22 million is not small. A company that pays out as much as this company is not small. A company that controls so much land is not small. I therefore think it should be willing, if it is interested in having this bill passed, to agree to a clause that would make it mandatory for the company to remain Canadian and to limit its shares to Canadians normally resident in Canada. Such provision would ensure that this company in the important field of oil development would remain in Canadian hands.

Although several years ago we were only worried about financial control and that Canadians should have a say in the operation of their natural resources, it has become apparent to the Canadian public that we are not really well equipped to maintain an inventory of carbon

and petrochemical products and we cannot ensure that projected Canadian needs will be met. It is also safe to say that for the first time Canadians are paying attention to the ecology of their land and to the advisability or inadvisability of drilling wells in sites of aesthetic value.

Our population has suddenly decided, the young people in particular, that merely because a company wants to drill a well is not sufficient reason for drilling the well. Before the company drills, it should consider the ecology of the area, its aesthetic value and all those who will be using the area for other than oil-producing purposes. No longer will an oil well be drilled in the middle of a community simply because a company wants to drill it. The area I represent does not worry so much about oil wells as about headframes. There are headframes in all sorts of places because mines close down and other industries do not replace them. The usefulness of headframes is limited, I suppose, to anybody who wishes to open a new mine in the area. In the early days headframes were located wherever anyone wanted to locate them. The town, the streets and everything else was built around them. Oil companies believe they have the right to do as they like to the environment and the community in which they operate because they are the main employer and sustain the local economy.

• (5:50 p.m.)

There has been a recent development, particularly with regard to the young people, whereby people feel that making money and having a wealthy company producing revenue by getting more oil out of the ground is not the prime but only one of the considerations involved. The previous speaker said that the lack of desire to drill in many areas should be encouraged. We must take into consideration the Canadian interest rather than playing around with the proposition of drilling a well every so often regardless of the situation.

More than one million acres of land on Vancouver Island are under the control of this company. I do not know the total acreage of Vancouver Island. I am not sure whether they are referring to gross or net acres. In fact, I do not know the difference between a gross and a net acre. Both are referred to in some oil contracts: companies talk about owning 71 million gross acres or 22 million net acres. If any drilling is done near the shores of Vancouver Island, the problems which we are discussing with the United States will occur in that area.

The public has an interest in this matter. It must be assured that its interest is given due consideration by corporations which we set up. If it is a foreign-owned corporation, we will not have very many opportunities to protect the public interest. Our experience in other industrial fields has been that when a company is under the jurisdiction of two countries one of which is the United States, there is very little doubt about which interest will be served: it will always be the American interest. We will not be able to exercise jurisdiction over that company.

The Acting Speaker (Mr. Richard): Order, please. The hon. member's time has expired.

Mr. John L. Skoberg (Moose Jaw): I realize there are only five minutes left, Mr. Speaker. I wish to put on record some of my observations with regard to the bill before us. I congratulate the hon. member for Edmonton-Strathcona (Mr. Harries) for his imaginative speech, which I read in *Senate Debates* for March 23. It is just as easy to repeat the remarks made then as to make a new speech in this chamber.

I think all hon. members agree that we should have Canadian ownership and participation. The Canadian Pacific Railway Company is well-known to members of this House and to the people of Canada. Canadian Pacific Railway was the main driving force in creating some of the subsidiaries and conglomerates which are now under its control. I suggest that some of the non-rail profits should be taken into consideration when Canadian Pacific Railway makes application for rail line abandonments which are invariably approved by the Canadian Transport Commission.

It is not fair to the people of Canada to pass a bill without ensuring that a commitment is obtained from the parent company that it will meet the original obligation and charter which it was given. We should not pass this bill without asking the company for an assurance that it will try to give Canada the service to which it is entitled, and meet the obligation which it has had since it was incorporated and granted vast tracts of land and moneys.

A United States Senator said as follows:

> Montana Senator Lee Metcalf insists that Congress should consider non-railroad income of carriers if it decides to inaugurate operational subsidies.

I suggest that we have operational subsidies in one area of railroad operation. If we look at the over-all operation of this company we will see that the subsidies are not given any consideration. I quote:

> Metcalf said in September, 1969, before the ICC: "The question of a carrier's non-rail income as part of its entire total financial position is pertinent to any discussion of our government's transportation policy, and more particularly so if the carrier happens also to be a conglomerate."

The bill before us puts Canadian Pacific Railway in the position of being a conglomerate. We should consider the non-rail operational income of this company and its over-all structure.

Mr. Knowles (Winnipeg North Centre): Six o'clock.

The Acting Speaker (Mr. Richard): Order, please. It being six o'clock, this House will rise until eight o'clock this evening.

I was in deep reflection today about man's share of wealth and honour for the work he has done on earth. I came across these lines:

> How seldom, friend, a good, great man inherits honour or wealth, with all his worth and pains. It sounds like stories from the land of spirits, if any man obtains that which he merits or merits that which he obtains.

At six o'clock the House took recess.

Senate and House of Commons Act

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.

The House resumed consideration of the motion of Mr. MacEachen that Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act, and an act to make provisions for the retirement of members of the Senate, be read the second time and referred to the Standing Committee on Procedure and Organization.

Mr. David Lewis (York South): Mr. Speaker, at five o'clock when the House turned to consideration of private members' business I was dealing with the increase in the non-taxable portion of hon. members' expense allowance. I suggested that at least the additional expenses which were to be covered should have been based on specific allowable areas and on the presentation of vouchers in respect of them.

I say to the President of the Privy Council (Mr. MacEachen) that this is not an unreasonable suggestion. He told us that the services and facilities which the Beaupré committee report proposes would, if implemented, have amounted to more than the $8,000 to be allowed as a non-taxable amount. This may be so; I have not done the arithmetic and I am prepared to accept the minister's statement without question. He then went on to say that the only difference between what the government proposes and what the Beaupré committee report proposed was the method. By gad, if this is a small difference I should like to know what an important one would be, because between being paid for expenses actually incurred and being given a global amount which one can use as one pleases, and which continues to be non-taxable, lies a difference not only in method but in basic principle.

I repeat: even if the government had decided to keep the $6,000 as a global sum there was, in light of the Beaupré committee report, no excuse whatever for increasing that non-taxable sum. Why was it not possible to say that members would be paid up to a certain amount per month as rent, if they were obliged to rent a home in Ottawa, or an allowance for an office in the constituency, and provide that in either case they would have to show that these expenditures had actually been incurred before they could obtain reimbursement in respect of them?

I turn now to the retroactive aspect of this bill. As a person who practised labour law for many years and represented labour unions for many years in various parts of this country, I find disagreeable the ease with which it is possible for Members of Parliament to get total retroactivity for seven or eight months with respect to the whole of the increase. I have known strikes called by workers to get even part of an increase in a settlement retroactive. Yet the whole of this amount is to be made retroactive to the beginning of the present session, which means to the beginning of last October. Why?

In the case of an ordinary industrial situation there is a collective agreement which ends at a certain date and efforts are made by the workers concerned to get their increase dated back to the end of the former agreement. They have a contract over a certain period. What period do we have! What right have we to say that the increase provided by this law should go back seven or eight months? I say there is no moral justification for that and no social justification for it either.

Mr. Lambert (Edmonton West): The senior civil servants' increase went back two years in 1967.

Mr. Lewis: The hon. member for Edmonton West (Mr. Lambert) says the senior civil servants' increase went back two years. The only reason it went back two years is that there is a certain period to which their increase was applied. If it takes a year or so to negotiate an increase, it is logical and morally defensible that the increase should go back to the date on which the last agreement ended. But where is our agreement? We simply say: We are Parliament and we can enact it. So we make it retroactive to the beginning of this session. I suppose I ought to be glad it was not made retroactive to the first day of this Parliament; that is about the only consolation I can find.

Mr. Knowles (Winnipeg North Centre): That is what was done the last time.

Mr. Alexander: Did you hear your hon. friend?

Mr. Lewis: No doubt we shall be hearing from him. Finally, I want to say a few words about the method which has been used. I would have hoped that whatever increases the government might have proposed, it would also have had the courage to propose a change in the method of adjusting members' salaries and emoluments. There are two ways in which this might have been done. The bill ought to have provided for one or other of them so that within eight, nine or ten years people who are members of the House of Commons and the Senate at that time—if the Senate still exists seven or eight years from now, and I hope it will not—will not have again to go through this embarrassing and disagreeable task of voting themselves increases.

In addition to whatever the government might have wished to do in connection with the bill before us, in terms of the actual increases contemplated, they should have incorporated in the bill a new method of doing it, possibly through an independent body consisting of whoever the government chose, perhaps the Chief Justice of Canada or the president of a federal court. There are one or two other people they might choose who could by law be given authority to state periodically what adjustments ought to be made, in line with some comparison. Alternatively, I suggest that the indemnities of Members of Parliament be placed within some appropriate public

service category or some average of appropriate categories; there are various ways in which it could be worked out. There would then be an automatic adjustment every year or two years.

• (8:10 p.m.)

I suggest the time is long overdue to improve the present system. We should take away from Members of Parliament the unpleasant duty of dealing with our own salaries and expenses and give this task to an independent body, or place the indemnity in some appropriate category in the public service in the way I have suggested. This proposal should have been embodied in the bill so that this would be the last time Members of Parliament had to go through this unpleasant exercise.

In closing, I want to make the point as seriously as I can that there is throughout the country widespread disenchantment with the democratic process and a great deal of dissatisfaction with the parliamentary process, particularly among young people. The slowness with which we do anything for the benefit of ordinary people, and our failure to meet basic problems in society have produced growing unhappiness with our parliamentary and democratic system. I am deeply concerned about the effect that this action now proposed by the government, in the circumstances I described earlier, will have on people who are already dissatisfied with our democratic process. I am concerned with the cynicism that it will evoke, particularly among the young, and the questions it will raise in the minds of many people in Canada.

Although I do not condemn any member who wants to support the bill before the House, I cannot but feel depressed by this further example of the double standard that our present system imposes and which Members of Parliament are willing to adopt. In our privileged position we are able to get what we ask for. The rest have to fight and wait for every niggardly improvement, be he worker, old age pensioner, farmer or fisherman. These groups have to argue, fight, demonstrate, protest, needle and threaten before getting some kind of niggardly improvement. But we in our privileged position can get because we are in a position to take. This is what worries me about our present system and the position of Parliament within that system, particularly the position in which all members of the House are being placed by the proposal we are discussing.

[*Translation*]

Mr. André Fortin (Lotbinière): Mr. Speaker, we are now considering Bill C-242 to increase the salaries and allowances of members of Parliament.

In the statement he made in this House on April 26 last, the Prime Minister (Mr. Trudeau) said that the government intended to introduce legislation to increase the salaries of hon. members from $12,000 to $18,000 and the non taxable and non accountable allowances from $6,000 to $8,000. Right then, through the hon. member for Kamouraska (Mr. Dionne), the Ralliement créditiste members announced they were absolutely opposed to this measure. But the mass media have practically ignored this position.

Yesterday, at the opening of the sitting of the House, the bill was introduced for first reading. There is never a debate on first reading since it is only a formal introduction according to the rules governing our debates.

Nevertheless yesterday, without warning, the news media disclosed to the public unaware of course of our procedure that hon. members had unanimously agreed to the bill on first reading and that none of them had the opportunity to speak at this stage and to oppose it.

Mr. Speaker, we can see there the narrowmindedness and dishonesty of some news media that knowingly release controlled information to the Canadian people. However, it is common knowledge that no one can judge how a member feels about a bill simply because he refrains from speaking on first reading since there is no debate at this stage.

Tonight, Mr. Speaker, we were going to make our position clear beyond all ambiguity.

This, then, is the official position of the Ralliement Créditiste.

I also want to point out that the leader of the Ralliement Créditiste, the hon. member for Témiscamingue (Mr. Caouette), and the hon. member for Shefford (Mr. Rondeau) give their unqualified support to our views. They both did their very best to be here tonight, but they are now tied up in Alberta and it was absolutely impossible for them to change their schedules, arranged several weeks ahead. They could not foresee that the government would proceed with such speed to the debate on this matter. In any case, whether it seems funny or not to members opposite, to whom salaries are more important than services, be it said and understood that the Créditistes have all taken the same position on this question, because they all think of their role as a public service and their devotion bears the most eloquent testimony to the performance of this task.

• (8:20 p.m.)

Some hon. Members: Oh, oh!

Mr. Langlois: Speak loud, vote against it and take it.

An hon. Member: Bunch of hypocrites!

Mr. Fortin: Mr. Speaker, I rise on a question of privilege. Does the hon. member who just called us a bunch of hypocrites—

Mr. Laprise: Mr. Speaker, I rise also on a question of privilege—

Mr. Speaker: Order! I see that the hon. members for Abitibi and Lotbinière are seeking the floor at the same time. There should be some order, and we should determine immediately who has the floor.

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

Mr. Speaker: The hon. member for Abitibi on a question of privilege.

Senate and House of Commons Act

Mr. Laprise: Mr. Speaker, we are entitled to our views in this house, especially on a bill which concerns directly each and every member. The member who has just accused us of hypocrisy should be honest enough to rise and identify himself.

Mr. Speaker: Order. The hon. member for Lotbinière.

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

An hon. member opposite saw fit not to rise, knowing that by remaining seated he would not be identified and that what he said would appear in *Hansard* under: "An hon. Member". Indeed, we shall never know who said Créditistes are hypocrites.

Therefore, I refuse to pursue the matter if that member is not courageous enough to stand up and withdraw.

Mr. Speaker, I humbly point out to you that we always have respect for the institution of Parliament and our colleagues. We respect the opinion of government members and we ask them to respect us.

Not only is the language of the member opposite unparliamentary, but it reveals a lack of good manners and honesty.

Knowing your integrity and fairness for minority parties, I ask you, Mr. Speaker, to enforce our Standing Orders in order that our rules and our right of speech be respected.

Mr. Speaker: Order please. The hon. member has the floor and may obviously continue his remarks. The hon. member objects to the fact that some comment was expressed in some mysterious quarters of the House. He invites the hon. member who made this remark out of turn perhaps to reveal his identity. The hon. member who made the remark which was unnoticed by the Chair except when the hon. member for Lobtinière referred to it does not want to reveal his identity and it seems that the hon. member for Lotbinière who has the floor and who was speaking very ably for the benefit of the House should continue his remarks which the Chair and all hon. members will listen to attentively.

Mr. Fortin: Mr. Speaker, while minding your—

Mr. Speaker: Order. I must once again interrupt the hon. member for Lotbinière as the hon. member for Hamilton West (Mr. Alexander) in turn raises the question of privilege.

[*English*]

Mr. Alexander: I rise on a question of privilege, Mr. Speaker. I shall not take too long but I think it should be recorded in *Hansard* that the mysterious remark which came from the floor of the House, to which Your Honour referred, did not come from the left of Mr. Speaker.

Mr. Speaker: I suggest to hon. members that we get on with the debate. The hon. member for Lotbinière (Mr. Fortin) was making a very positive, constructive and interesting speech and I am sure hon. members on both sides of the House are anxious to hear him.

[Mr. Speaker.]

[*Translation*]

Mr. Fortin: I shall go on, Mr. Speaker, on your kind invitation, but I find it strange that this mysterious voice cannot be identified, whereas tomorrow the words spoken will be printed in *Hansard* without the speaker being identified.

I should now like to pursue my comments honestly, briefly and precisely.

First of all, we feel that the statement made by the Prime Minister (Mr. Trudeau) does not take into account the proposals and findings of the report of the Advisory Committee on Parliamentary Salaries and Expenses tabled in November 1970.

Quite extensive studies are made but we do abide by their conclusions.

Secondly, it is abnormal that hon. members according to the will and the decisions of the current government, should vote themselves an increased allowance. This is a ridiculous system to which exception is being taken throughout Canada. A permanent and independent commission should make such a decision jointly with the Treasury Board approximately every two years.

Third, it is inconceivable that the revision of hon. members' salaries should come every five or ten years. For instance, the last increase dates back to 1963. Moreover, this biennial increase should be governed by the very standards imposed by the government on the Canadian people under the current economic situation. We submit that our decisions must be consistent with what we require from ordinary people.

Fourth, we cannot accept that the government should propose to raise hon. members' allowances and indemnities without improving and streamlining the instruments at their disposal so that they could give better service to the people in their constituency and in Parliament, a measure which would upgrade the role of Members of Parliament and parliamentary institutions.

Fifth, it is anomalous that the government should propose an $8,000 unaccountable expense allowance without any obligation for us to produce vouchers. Members have no right to treat themselves any better than other Canadians.

It is a proven fact that a Member of Parliament has to spend such an amount within a year and even more if he wants to fulfil his tasks; there is no doubt about it. So why should we not be required to present vouchers if we really incur these expenses, taking into account, of course, the distance between our constituency and Ottawa.

The Prime Minister and the President of the Privy Council (Mr. MacEachen) have both stated that each member could choose not to spend or to spend only part of the allowance. In so doing the government is setting up a wrong principle.

There are minimum services which a member of Parliament must provide to the people. Among them, we include the salary of a secretary working for the member in his riding.

Sixth, it is unbelievable that the government does not mention, and even refuses to mention, that a research assistant will be supplied to each member so that he can better discharge his responsibilities.

Seventh, we find it unacceptable for the government to deal in the same bill with members of Parliament and Members of the other House. We sincerely suggest that the Senate should be abolished immediately. Therefore there is no question of us accepting to vote them increased salaries and allowances.

Not only do we refuse to increase the senators' salaries and allowances but we call for the immediate abolition of the Senate, for in spite of all the respect due to its members it is an antiquated institution which has no justification any more and which irritates, and we can understand that, the Canadian taxpayers by its inaction, its ineffectiveness and its uselessness. Why would the government not do away with that institution? We get no reply from the government. Instead of answering, the Prime Minister wants to increase their salaries and allowances.

Mr. Speaker, we must absolutely give new vigour to Parliament in 1971, bring it closer to the people, modernize our parliamentary and democratic institutions. We must update them and make them more modern, human and effective. Let us start right away by doing away with the Senate. Let us then provide members with the facilities they need to discharge effectively their responsibilities.

As far as we, the Ralliement créditiste, are concerned, we are ready. I quote from page 24 of the Beaupré report:

> It seems self-evident that no taxpayer would employ a tradesman or a professional man unless he were satisfied that the individual had available to him the tools with which to do the job at hand.

In other words, the 1971 member of Parliament has the same tools as the 1950 member. It should not therefore come as a surprise that the Canadian people are dissatisfied and wonder—and rightly so in most cases—what their member is doing.

Mr. Speaker, many people rightly ask this question when they are represented by people who indulge in making charges against other members without identifying themselves.

What is more urgent? Increasing salaries or improving work conditions of members? This is the question that we have to answer and the Prime Minister and his Government have chosen to increase parliamentary allowances. We choose, as honestly as these people say, an improvement of services. We must get Parliament nearer to the people by making government services available to all Canadians, and by revamping the important role of members of Parliament through a modern approach. This is why we say that secretarial support, both in the constituency and in Parliament should be improved, and my colleagues will come back to this matter during the debate. That is why we say that every member of Parliament should have at his disposal a researcher and at least two offices in Ottawa.

At present, four of us are crammed into this tiny office of mine. None of my colleagues is better off. Mr. Speaker, this must change in 1971, otherwise the member of Parliament, regardless of his party, will no longer be in a position to adequately discharge the various exacting responsibilities assigned to him in his capacity as an advisor, a protector of the people and a liaison officer, for he is here to serve the public.

Mr. Speaker, it is therefore our intention to oppose the proposal to increase salaries of members of Parliament because that in no way settles the problem and only makes for increased dissatisfaction not only of the people but of those members who want to carry out their duties.

Just think, for instance, that each member of the Quebec National Assembly has a permanent office in his riding, with a permanent secretary, in order to better serve his constituents. On the other hand, there are 75 members in the House of Commons, who come from Quebec. Now, in the federal riding of Lotbinière, for instance, there are three provincial representatives, provided with three secretaries and three permanent offices, all paid for by the government. Why? In order to provide permanent, continuing service in the riding even at times when the member is sitting at the National Assembly.

The same applies in all ridings.

At the federal level, to serve the same population and almost the same number of parishes, I am alone with my wife. To serve the population well, I had to set up an office, for which I pay out of my own pocket, because I believe in the role of the member of Parliament and because I believe the people are entitled to their member's services. All my colleagues have done exactly the same.

Every week end, I see in my office at Victoriaville an average of 40 persons,—which can be easily proven. It is also true for my colleagues. It is an important thing.

At the provincial level, the same population has six persons at its service while at the federal level, where there are over 375,000 civil servants, while we administer a budget of over $14 billion, there are only two persons in each riding, the member and his wife to look after the electors. It is ridiculous, in 1971, Mr. Speaker, and I am sure you agree with me.

Hon. members of this House upon whom rests the heavy and complex responsibility of defending the rights and the interests of the citizens and of running the country's business often lack the necessary means of action to play their roles efficiently. The government does not seem to have deemed advisable to make these means available to them. From the statements of the right hon. Prime Minister and the President of the Privy Council, once more we come to the conclusion that the government does not deem appropriate to provide the people and the members of this House with these services. Or perhaps in view of their financial situation hon. members could not afford them. In many cases, it is true.

However, I must say that my colleagues and I have given ourselves these tools, in spite of the carelessness of the government, even though we had to spend money to

do so. We have led the way. We now ask that the government accept our position as a principle to be applied to all hon. members. A member should not work occasionally, as some would have it, but full time. That is what the people require from us.

Likewise, the population, and justly so, is against our giving ourselves a special treatment as opposed to other citizens. The Beaupré report suggested a maximum expense account with a voucher system, according to the actual amount of expenses incurred.

Mr. Speaker, the present proposal of the Prime Minister and of the President of the Privy Council does not take this recommendation into consideration. We grant $8,000 to every hon. member. It is for them to decide if they will spend $3,000, $4,000, $5,000, $8,000 or more.

Mr. Speaker, that system is not acceptable. It is like building on shifting sand. It is not in this way that we shall enhance the value of our parliamentary and democratic institutions and of the function of the member of Parliament. Let us remember this: the hon. member who decides against opening an office or making regular trips to his riding will be able to put $8,000 in his pocket without having to account for it to anyone. Who would ask for an accounting? And at any rate, if there is an election, the party funds will be used to help him and he will be re-elected, and the people will know nothing of this.

But the hon. member who understands his function, who decides to give proper service to the people, will spend the $8,000; that is what we are doing. The latter will be penalized while the former will benefit.

It is impossible to apply the same yardstick to all members whether they come from western, eastern or central Canada. Their working conditions are not the same, nor are distances they have to travel. To be just, the system must take this into account. Otherwise, we will be compelled to think that expenses are used as an excuse to increase salaries, all the more so as expenses will not be taxable.

Mr. Speaker, we recognize that a member's work entails a great deal of expenses, but the government should realize that they are not the same for all members. Besides, they recognize this principle in the bill by saying that the members from the North will have to incur more expenses than the others.

If the government acknowledges this principle for a certain group of members—and we commend them for it—let them extend it also to all members.

Mr. Speaker, I would have some important questions to put, to which it is urgent to have some answers.

First, what are the responsibilities of a member of Parliament, and to what extent are they likely to change in the years to come?

Another question which should be answered is the following: How does a member view his function and how does the public see it? My colleagues and myself have been wondering about it for a long time. We did something to get an answer. Several of my colleagues and myself sent more than 10,000 questionaires to each of our ridings asking people of all classes of society poor and rich alike, how they viewed the role and duties of their federal representative whatever his political party, in the riding as well as in Ottawa.

• (8:40 p.m.)

The people of my riding and elsewhere were not afraid to answer. The population considers the member of Parliament as a public servant. The position we take today is largely based on the results of this comprehensive poll.

It is obviously difficult to answer and solve those questions perhaps simply because the role of the member of Parliament is mostly what he makes it, according to his own concept of it, his competence and dedication. Mr. Speaker, the Canadian people expect no less from us.

For the benefit of my colleagues, I should like to tell them what questions we put to the people, when we asked whether or not they agreed with the definition of the duties of a member of Parliament. This is what we put to them, solely to give rise to a dialoque in the riding:

1. To be aware of and interested in the problems of all the citizens.

2. To participate actively in the economic development of his area.

3. To fight against the injustices that victimize some citizens.

4. To work steadfastly to achieve security for all.

5. To protect the freedom and the rights of each individual.

—whether his pockets are well-lined or not.

6. To be always available.

—to the population.

7. To consult frequently with all classes of society in order to express the opinions of constituents.

When we proposed to the electors this definition of the work of the member of Parliament in his constituency, people gave an almost unanimous response. Consequently, Mr. Speaker, we have no other choice today but to urge the government to give the population permanent secretarial services in the constituency in order to keep the people in touch with this extremely important institution which Parliament is.

Insofar as Ottawa is concerned, we have proposed the following definition to the people so that they may comment on it, criticize it or make suggestions:

1. To sit in the House of Commons on behalf of all the people in the constituency, not only on behalf of his—

—supporters.

That is another point, Mr. Speaker, which is most important.

2. To advocate or support all policies favourable to the people as a whole—

—in his constituency.

3. To protest strongly and freely against the measures contrary to the best interests of the citizens in his constituency.

Finally, still in Parliament—

4. To try to build a great country meeting the wishes of the people in his constituency and his province—

—and throughout the country, giving the interests of a political party second place and looking first of all after those of the people.

Mr. Speaker, such is our creed, since it is the one that people have dictated to us. Generally, we are only restating today in the House what people have suggested to us both in our constituencies and in the country at large, particularly the have-nots, whose hardships are the consequence of the current economic situation.

I thank my hon. colleagues for their sympathetic attention and, Mr. Speaker, I hope that, within all parties, the members will consider positively and honestly the suggestions we are putting forward in order that this country's parliamentary and democratic institutions, as well as the function of the member recover their true value, and that the parliamentary institutions and hon. members get closer to the people and thus serve them better.

[*English*]

Mr. Grant Deachman (Vancouver Quadra): Mr. Speaker, I am very pleased to have the opportunity to speak on this subject because as chairman of the caucus of this party during the period when the Beaupré report was under discussion I had perhaps more than an average member's involvement in what was taking place as the Beaupré committee worked to assess what should be the salary and expenses of a member. Moreover, I had an opportunity to listen to many of my colleagues—many of them a good deal younger than me, and with young families—discuss the problems of being a Member of Parliament, coming perhaps from a remote constituency in the west or in the Maritimes and living in the city of Ottawa, carrying out parliamentary duties effectively.

When I came first to the House in 1963 I was a member of the committee which at that time looked into the question of the increase in salary which took place in 1963. I remember how much this question involved every member of the House and what a sensitive issue it was to the welfare, the esprit de corps and the working capability of members. The question of salary and expenses was a serious matter to hon. members. So perhaps a little more than members who came here in 1968 for the first time I can look at this question with a philosophical attitude. I think every member knows from his mail and from the way the press often deals with the subject of salaries and expenses that there is much misunderstanding everywhere about the subject. For a short while I want to deal with some of these misunderstandings.

I begin by saying that a member of the Canadian House of Commons is not the best paid parliamentarian in this country, as some people, perhaps even members of the press, believe him to be. I refer to the table which appears at page 59 of the Beaupré report, called "Comparative Summary Table of the Annual Salaries and Allowances of Members and Those Holding Certain Leadership Offices in Canadian Provincial Legislatures". When we look at this table we discover that in the provinces of Ontario and Quebec the salaries are the same as ours, $12,000 in each case, and the tax free allowances are the same, $6,000 in each case. But we also know from the studies which were undertaken when the Beaupré committee was active that in addition there are emoluments for committee sittings, for services rendered in ridings and for positions on boards which make the salaries of Ontario and Quebec members much more desirable than ours.

So we may say that in positive terms we are third in Canada in pay and allowances—not first. It is much more desirable, if you live in the province of Quebec or the province of Ontario, from the standpoint of pay and emoluments to be a member of the Legislative Assembly than to be a member of the House of Commons of Canada. This is the fact in respect of the pay scales of members of legislatures in Canada.

When we move to other legislatures, the story is even more remarkable. We see, for instance that in Prince Edward Island for 15 days' work members of the legislature receive a salary of $2,666 and an allowance of $1,333. What Member of Parliament would not like to be a member of that legislature? In New Brunswick they receive a salary of $5,000 and a sessional allowance of $2,500 for a 32-day sitting. In my own province of British Columbia it is $5,000 sessional indemnity and $3,000 plus $50 a day for 40 consecutive days in 47 days of sittings, making approximately $10,000 for the 47 days.

• (8:50 p.m.)

A man with an established business in any of these provinces would find it profitable to go into their legislatures. We are really the poor cousins when it comes to pay for legislative work. No one holding a seat in a provincial legislature would want to come here on the basis of pay. That is a fact of life which we must face, and decide whether we want to change it.

The press seems to enjoy saying that a Member of Parliament has a salary of $18,000, but of course that is not so. They add together the salary of $12,000 and the expense allowance of $6,000 and call the total, salary. It implies that a member has no expenses connected with his job and can therefore take the expense allowance into salary. But no member of the press would claim that his own expense account should be lumped with salary.

What personal expenses does a member incur because of his job? If he lives outside the Ottawa area—and that means most members—he must pay two rents. He moves his wife and family back and forth across the country, puts the children in school here and takes them home and instals them in his constituency for the summer and also for the Christmas recess if he can. He pays all his car expenses no matter how much the car is used in the course of his work. He pays for taxis, entertainment, telegrams. If he wants to send a birthday greeting or a message in connection with his work, it is paid out of his own pocket, the only reimbursement being from the non-accountable expense allowance which is so condemned.

Charges for telephone calls made from his own home come out of his pocket, so do secretarial and clerical services in the riding. To get a letter typed or circulated, to buy paper or postage stamps are expenses which come out of the allowance. No account can be rendered for

these expenses; the member must pay them. He pays for household mailings no matter where he makes them. It is true he can get them cheaper than the ordinary man for business or commercial purposes, but still he must pay for them and they are part of his expenses as a Member of Parliament.

All miscellaneous travelling expenses, even the expense of staying overnight in the course of travelling to his riding if the trip is so long, must come out of his own pocket. Contrary to popular opinion, he does not have an air pass to travel anywhere in Canada and must pay his wife's fare. He cannot even charge taxis between airport and his home because that comes out of the magic non-accountable allowance. He does not travel first-class, as do cabinet ministers, public servants and even executive secretaries and special assistants who carry a minister's bags on and off the plane. I hear laughter in the chamber, but I think it has been the experience of every member on the backbenches to go through the first-class section and bow to the special assistants as they sit there having champagne.

Some hon. Members: Hear, hear!

Mr. Deachman: That is the gourmet tour. Finally the member gets to the economy section and struggles to a seat in the middle where he may sit for five hours on a trip to Vancouver. Does this ring a bell with anybody in the House of Commons?

Some hon. Members: Hear, hear!

Mr. Deachman: The member's only travel privileges are economy air fare or free basic rail passage between his riding and Ottawa. He does not even have the privilege of being paid for climbing into an upper berth and attempting to get his pants off in there; that luxury is not accorded to him.

There is no way of describing the expenses of an average member, because there are no average members. No one in this House wants to be called an average member. Each case is different, and that is why it has not been possible for Mr. Beaupré or any member of this House to itemize these expenses as is done for a travelling salesman whose expenses can be carefully identified. I remember how Mr. Pearson and his cabinet in 1963 struggled in an attempt to identify a member's expenses. Should an Ottawa member be cut back because he does not live far from this House?

Some hon. Members: Hear, hear!

Mr. Deachman: However, one could see in the corridor outside his room the chairs lined up for people who wanted to visit him and had access to him in his constituency every day of the week.

Some hon. Members: Hear, hear!

Mr. Deachman: When you considered that he had to campaign in his constituency 365 days a year, you realized that it was impossible to come to grips with what was fair for an Ottawa member, what was fair for a Vancouver member and what was fair for a Yukon member. It was extremely difficult. Mr. Pearson solved that problem by giving members a non-taxable expense allowance of $6,000 and allowing them to use it as they saw fit in administering their own peculiar circumstances—because, believe me, all members are peculiar or they would not be here.

Some hon. Members: Hear, hear!

Mr. Baldwin: Some are more peculiar than others.

Mr. Deachman: There is one way in which it might be possible to split up these expenses: it is pretty arbitrary, though some members of this House of Commons may recognize themselves in these figures. Take rent, for instance, at $2,400 a year. Has anybody in the House of Commons been able to find accommodation in the Ottawa district for $7 a day? And car expenses: has any member who is using his car for constituency or business purposes been able to do it for as little as $1,200?

• (9:00 p.m.)

Then there is family travel. If you live in the Maritimes or in one of the four western provinces and have kids and are moving them back and forth, do you not incur expenses? Was any member of the House, for instance, able to sneak away with a travel bill that was less than $1,200 by the time he accounted for air fares or rail berths, taxis, overnight stops in hotels or motels and all those things that go toward moving a family across Canada? If those have been your expenses for those kinds of items alone, if you have spent about $1,200 on them, you will know how much you have left to take care of every kind of expense that you can possibly imagine, out of an expense allowance of $6,000.

One can see that this expense allowance in itself is hardly adequate. I do not think that even the *Globe and Mail* in its wildest dream can imagine that that is an adequate way of dealing with a Member of Parliament. In many cases members are living on other income as well as their parliamentary income in order to stay here. I ask, are we getting good representation when we ask people to come here and of their own charity serve the people of Canada? I do not think the people want us to do that.

Another point to observe is that there is virtually nothing left in this kind of expense allowance for any service at all in the members' riding. There is nothing left with which a member, could hire transportation which in a remote riding would enable him to get out to villages and communities he had never seen before. That would bring him in greater contact with his people, enable him to be a better Member of Parliament and make this place more representative of the people of Canada. But the expense allowance does not provide for that. It hardly provides for the kinds of essential expenses that members incur. Thus, in the illustration I have given, the increase of the expense allowance to $8,000 will permit a member to meet his personal expenses and to have a little left for service to his riding. What is wrong with that?

Now let us look at the member's salary. Mr. Beaupré suggested a top salary for members of $25,000. That was his proposal and the proposal of his colleagues. They were unanimous on this. The present proposal is $18,000. I do not know where all the figures come from which have described this increase. To me it represents a salary that is 50 per cent higher than the $12,000 we have lived on since 1963. To find out how much of an increase that is, I looked at the compound interest tables. It represents an increase of slightly less than 5 per cent per annum. I heard and read so many figures that I thought I would look at the compound interest tables. At 5 per cent per year you will have, at the end of eight years, 1.47 of the original. So that here you have an increase that is a hair under 5 per cent per annum—if we pass it. However, if as suggested in this House we do not pass it and if we employ, as we have in the past, the Chicago garbage disposal system for salaries, that is, kick them around until we lose them—

Some hon. Members: Hear, hear!

Mr. Deachman: —then the increase for members since 1953 will have been from $8,000 to $12,000, the amount we got in 1963. That will be a 50 per cent increase from $8,000 in a period of 18 years. Let us see what the compound interest tables say about that increase. A 50 per cent increase over 18 years—I want to be accurate about this because there has been very little accuracy in the figures quoted—will be brought about by an annual increase of 2.5 per cent. That will have been the rate if we do not pass this bill. If we decide to let it go and leave it to the next Parliament to decide, the yearly increment for the member who came here in 1953 will have been 2.5 per cent. That is where we stand.

The problem is that we have heaped no end of troubles on ourselves in this House by postponing the regular revision of salaries until this "shocking" increase was required to adjust our salaries to a simple 5 per cent per annum rate, which we will have achieved over the last 18 years if we pass the current increase. But the rate will remain at 2½ per cent if we do not.

There is one more point that I should like to deal with because it is pretty often distorted. The expense allowance that we receive is not unique in Canada, as some people would lead you to believe. Members of other legislative assemblies and hundreds of municipal councillors receive tax free allowances which are recognized under the Income Tax Act. There are, I venture to say, thousands of people in Canada at other levels of legislative service whose expenses are recognized in this fashion. I do not know of any immediate intention by the government, or as set out in the white paper, to remove those expense allowances. There is no mention of that in the policies of the government with respect to tax reform. There is no intention to strip these people of their tax free allowances and nowhere is it said that they must receive their expenses for rendering public service in some other form.

Some people have said that this increase is too much. Of course, even 5 per cent looks too much if we let it pile up for eight years or if we do not adjust matters for another 16 years. It is said that this increase is inflationary. If other salaries and wages in our economy had increased at the rate that ours is increasing, John Young would not have a thing to say and probably would not even have been hired.

Some hon. Members: Hear, hear!

Mr. Deachman: I do not know why there is all this applause from my side of the House, because that is so.

It is said that we are greedily using our parliamentary power to inflate our own salaries. Mr. Speaker, we hired a commission which recommended a salary of $25,000. We in this House are talking about $18,000. That has been our decision, whereas outsiders decided that our salaries ought to be $25,000. It is said that we should not raise our salaries while there is unemployment, or until we raise pensions, until we check inflation, until the next Parliament is elected or until Utopia is here.

I agree that there is no good time to raise the salary of a Member of Parliament; but we know that we cannot escape this question forever. If we wait for another two years the increase will need to be 60 per cent in order to achieve a 5 per cent per year increment. If we postpone dealing with this matter from year to year for one good reason or another that is given in this chamber, we will eventually find it almost impossible to bring parliamentary salaries in line with other salaries in the economy or with salaries in other legislatures. We are already falling behind them; we are in third place.

It is said that we should set up an independent tribunal to deal with our salaries or to hitch this increment to public service salary increases. This would not relieve us of the duty, of course, of voting for the increases out of taxes, nor would it bury parliamentary debate or public criticisms on the subject: it would still be there. On the other hand, it would put us in the curious position of accepting public service rates of increase which the public service had achieved from Parliament after bitter bargaining or even after strikes. For those reasons I believe that we must always settle our own salary adjustments in this chamber.

• (9:10 p.m.)

Some hon. Members: Hear, hear!

Mr. Deachman: Perhaps we could best do this, Mr. Speaker, by building into this bill a clause which would automatically refer the matter to Parliament in the first session of each new Parliament. This would guarantee more regular revision. The automatic feature would overcome the squeamishness of members to deal with the subject or to get involved in the debate. Regular revision would quickly become understood by the public and, I think, eventually accepted.

I hope this idea will receive the attention of the committee when it examines the bill. I believe it will help to bring some reason and sanity into a discussion which has been unreasonable, unrealistic and frustrating since confederation.

Some hon. Members: Hear, hear!

Senate and House of Commons Act

Mr. Randolph Harding (Kootenay West): Mr. Speaker, I have listened with a great deal of interest today to the debate on Bill C-242. I would like to say at the outset that I appreciate the views of those members who have spoken both for and against the bill. I thought I would wait a while before taking part in the debate, but I feel it will last a little longer than this evening and I expect to be absent from Ottawa tomorrow. I wish to express my views on this legislation in the event that there is a vote while I am not here.

I am opposed to the legislation. I fully endorse the views of the leader of our party, the hon. member for York South (Mr. Lewis). I feel he has fully outlined the position which I can take. However, I would like to give my views on several aspects of the proposed increases and I will take this opportunity to do so. At the same time, I would like to make some general remarks about the role of Members of Parliament under our parliamentary system. I believe that this legislation should not be on any priority list. It certainly is not on mine.

About four months ago we passed legislation raising the basic old age security pension by 42 cents per month, or $5.04 per year. When I look back at that increase I find it impossible to justify an $8,000 increase for Members of Parliament. There are many other groups in our society which should have priority over and above Senators and Members of Parliament, when it comes to spending from the public purse. Despite recent improvements in some categories, many of our old age pensioners, veterans and retired workers still live at or near the poverty line.

I would like to very briefly and concisely outline my objections to the legislation with which we are dealing. I feel that the increase is excessive—a 50 per cent increase over the salary that members are now receiving. Second, I take very strong exception to the increase in the non-taxable allowance. The proposal is to increase it from $6,000 to $8,000. The third thing I object to is the retroactive provision in the bill. Very few pieces of legislation come before this House which make salaries retroactive for a number of months. This legislation will pay the members back to October, 1970, when this session started.

Another point, Mr. Speaker, is that members have to be credible when putting forth their views. We have massive unemployment in Canada, one of the highest rates of unemployment in the history of our nation. This summer there will be many thousands of students out of work. Guidelines have been laid down by the government and endorsed by the members of this House. For the past two or three years we have heard the message that there must not be more than a 6 per cent increase in wages so far as labour groups are concerned. This year we heard the message that wage increases must be kept to 4 per cent or 4½ per cent. The House of Commons, in one swoop, will raise the wages of its members by approximately 50 per cent.

I realize that the last increase for members was in 1963, eight years ago. Some hon. members have made a pretty good case for an increase being made at this time. There is certainly a case for a number of members to receive an increase to cover various types of expenditures. I can think of members who come from scattered ridings whose expenditures over the year are far higher than those who live close to Ottawa or in an urban area. Further consideration should be given to members in this category. If they are to do a job for their constituents, they need money to get around the constituency in order to see and hear the problems. This is very difficult if much of their salary is spent for travel or other excessive expenses by those who live in these rural areas.

There are one or two points I would like to leave with the members of this House. I feel this method of raising the salaries of members is something we should not tolerate very much longer. Some members will be outlining what should be done to change the present set-up. We have heard a number of suggestions. I shall make another one. Members of Parliament should receive an adequate salary based on the job they do. I do not think that anyone here or in the constituencies would object to that. However, I firmly believe that it should not be left to periodic voting on an increase, and frequently great embarrassment to members of the various parties who take part in the debates and vote for or against salary increases.

The job of a Member of Parliament should be evaluated. A benchmark should be set, in the same way that benchmarks are set in the civil service. There has never been a proper evaluation of the job and work of a Member of Parliament. This is what a committee should do. An independent committee should evaluate the work done by a Member of Parliament.

An hon. Member: Beaupré did.

• (9:20 p.m.)

Mr. Harding: Beaupré did a partial job. We have recently been tussling with a similar problem in the Standing Committee on Public Accounts. There was a tremendous amount of debate when we were trying to find a proper benchmark as far as the Auditor General of Canada was concerned. The committee members finally came up with a solution. There is no reason why a similar evaluation could not be carried out as far as the members of this House and Senators are concerned. It might not be an easy task. We would have to take into consideration every facet of the job a Member of Parliament does and then compare it with closely related jobs in the civil service. If we cannot find such a job in the civil service we should look for one in private industry which parallels the work we do here. Find the job, find what the going rate of pay is and fix it at that level. Then, I believe, as civil servants get increases every two years there could be step by step increases for Members of Parliament and the problem would be dealt with. This is a proposal which I pass on to the government with the recommendation that serious consideration be given to carrying out an evaluation of this type.

There is one further point I wish to make before I sit down. It seems to me that the most important job an MP can do in Ottawa is to police legislation and carry

out the research work which is really necessary if one is to be an effective representative here. I have not been here very long, but I find we are overburdened with a large amount of correspondence. We do a great deal of committee work and other work which often prevents our carrying out research, the task of digging down to find out exactly how legislation will affect the people. Improved research facilities are necessary. This is one of the first steps which should be taken if it is intended to give assistance to Members of Parliament. Perhaps assistance could be provided in each of the offices by way of an executive assistant who could take a great deal of the load from hon. members as far as correspondence is concerned, besides assisting in the research projects which in my opinion are so essential. This is one of the first priorities if members are adequately to fulfil the task we are sent here to perform, that is, the checking of legislation and the making of the best possible laws for the people of this nation.

I realize that things change as we go along, and no doubt we shall hear a variety of opinions expressed on the legislation which is before us. But I shall have no hesitation in voting against the legislation. The somewhat excessive amounts prescribed in it are certainly not warranted at this time. Whether the bill passes in its present form or whether amendments are made to it, I urge the government to set up machinery for properly evaluating the type of work we are doing here. Once and for all this question should be taken out of the House of Commons so that members of the various parties would not be called upon to vote for their own salaries.

It will not be so tough a job if we put our minds to it and are prepared to make a move. I hope this line of reasoning will be followed up before many months are passed. Again, I wish to assure all hon. members that I appreciate the views they have expressed. I intend to vote against the legislation, if I am here and the bill comes to a vote on second reading. I trust that some amendments will be made to it during the committee stage.

Mr. Kaplan: Would the hon. member permit a question? He criticized the Beaupré report as being only a partial study. I should like to ask him in what sense he considered it to be partial. Second, with the insight he has displayed as to the job of a Member of Parliament, what does he believe salaries of hon. members should be? The hon. member refrained from expressing a view on that point.

Mr. Harding: The point I was making is this: the Beaupré report never did compare the work we are doing here with other jobs in the civil service or in the business world. This is what I am suggesting should be done.

Mr. Kaplan: The second question?

An hon. Member: What do you think it is worth?

• (9:30 p.m.)

[*Translation*]

Mr. Ralph Stewart (Cochrane): Mr. Speaker, the question of remuneration of members of Parliament has always been a very sensitive one, but I want to say immediately that some members are not sincere when speaking against an increase of that remuneration. I can even say that some of them, and I refer particularly to the Creditistes want that increase badly while wishing to make Canadians believe they do not want to get it. You can't have it both ways, and here I use the very apt French word "politicaillerie", which means petty political manœuvers. That is what the Créditistes are doing. I am quite under the impression that their voters do not always believe them.

The hon. member for Lotbinière (Mr. Fortin) spoke a while ago. I have lived two years in the constituency of Lotbinière, at Saint-Patrice-de-Beau-Rivage, and I can tell you that the people of Saint-Patrice-de-Beau-Rivage and of the constituency of Lotbinière are not foolish enough to believe what the hon. member said a little while ago.

Some hon. Members: Oh, oh!

Mr. Stewart: You see, the hon. member for Lotbinière—

Mr. Fortin: Mr. Speaker, I rise on a point of order.

Yes, Mr. Speaker, I rise on a point of order.

I would like to say to the hon. member who now has the floor that Saint-Beatrice is not located in Lotbinière, but in Lévis, a riding which is represented by an hon. member of the Liberal party.

Mr. Stewart (Cochrane): At any rate, Mr. Speaker, when I was in Lotbinière, people were not foolish. I know that things may have changed since, but the people's thinking has not.

I was greatly interested in a thing that the hon. member for Lotbinière said a few moments ago. He asked a question and said that an answer just had to be given. He asked: what is the role of an hon. member? Well, if the Créditistes do not know what their role as members is, they have no business in this House! As for me, I know what being a member and serving my constituents in Cochrane means. My electors know and so do I. If I was not entitled to a salary increase, I would leave politics, for I am convinced that the members who serve their constituents well are entitled to a better salary.

[*English*]

Just a word about what was said earlier today by the leader of the New Democratic Party. I respect his opinions and the point of view of his colleagues but I do wish they would not take a journey into the realm of fairy tale. One thing in particular that he mentioned was that

the last time there was a raise in indemnity it was decided that it would be big enough to last for the next several years. I say that is a lot of nonsense.

The same thing was said by that brilliant associate editor of the *Globe and Mail* in this morning's editorial, which stated that for the next 10 to 20 years Members of Parliament would not have to ask for another raise. Just imagine, Mr. Speaker, my hiring a secretary in 1963 at a salary of $6,000 a year and telling her that since this was a very good salary she would not be able to have a raise for another 10 years! I suggest that the hon. member's argument is absolutely infantile and should not have been put forward.

There is no question that the members of this House require enough to be able to carry out their duties and to live in a decent way. If some hon. members want to live in a garret, that is their business. But my constituents would not want me to live that way, I have no intention of living that way and no Member of Parliament should be expected to live that way. Certainly there is a need, one that has been pretty well universally accepted.

When the Beaupré committee was first formed I recall that a very prominent journalist, Charles Lynch, wrote an article in very strong terms, in which he said the following:

> It is my view that the increases are valid, and I would have said so had the MPs voted them through forthwith, instead of taking the more considered line of turning the matter over to the new "advisory committee on parliamentary salaries and expenses." I think they should raise the wages, and put the chop on election spending.
>
> There is no doubt, as Stanley Knowles of the NDP said yesterday in sanctimoniously opposing pay raises, that the impartial committee will propose substantial increases, effective this year.

In the last paragraph of his article he had this to say:

> The nation expects a professional job from them—

That is to say, Members of Parliament.

> —and public expectations are rising. The MP, if he is to meet the increasing demands upon his time and his intellect, needs more money and more staff. Above all, he should not be prey to the pressures that burden a man who is forced to spend more than he is paid.

[*Translation*]

I represent a large constituency of northern Ontario. I have always said that it is as large as France but unfortunately someone has told me that it is not as large as France but a few square miles smaller. In any case, it is almost as large as France and certainly larger than Italy.

There is only one member of Parliament for this constituency while there are 400 deputies in France and I do not represent 50 million Frenchmen but I must serve 80,000 Canadians. I have to travel all across the constituency. My constituents are quite scattered. I know what it means to spend money on air fare and accommodations throughout my constituency. I am among those members of Parliament who find themselves short of money every month. This is why I hope this legislation will be adopted as soon as possible and I would ask my colleagues from all parties to support it.

[Mr. Stewart (Cochrane).]

[*English*]

It is never pleasant for a Member of Parliament to have to raise his own salary. This is something that seems to irk the public. They say, "There you are; you are just voting yourself a raise". It's not quite as easy as that and I think it is high time that the press, so ready to criticize us, explained this to the people. First of all, we do not just suddenly decide to vote ourselves a raise. Cabinet has first to be convinced that we need one, and they have to bring it forward. This is something the people do not understand.

Various things could be said on this subject, but it seems to me that since we have been discussing salaries for the past two years, in caucus, in committees and among ourselves, we should make this debate as short as possible instead of carrying it on. We have given our opinions from all parts of the House, representing all parts of the country. I suggest to hon. members that we should complete second reading as soon as possible so the bill can go to committee.

I do not think there is any member of the House who does not agree that something has to be done and that action is long overdue, though we cannot all agree on the action that should be taken. Many of us would like to take different action. Perhaps some prefer not to have a non-accountable allowance. But the point is that this is what has been proposed. It is a difficult situation and so far no one has been able to come up with a better solution. Perhaps they will in the future.

In the meantime, I think it behooves us all as Members of Parliament to stand behind the proposal of the government and to pass the legislation with the minimum of delay. We would then begin to serve our constituents in the manner they expect. We do not want to live in the lap of luxury, and that is not the idea. But we do want to be able to give proper service to our constituents. We do not want to have to say at weekends, "I am afraid to visit part of my riding because I simply cannot afford big hotel bill and the trip home." Although this should not happen, it has happened and it means we are being thwarted in our efforts to serve our constituents. I therefore implore all my colleagues to co-operate with the government on this measure so we can better serve our constituents.

• (9:40 p.m.)

[*Translation*]

Mr. C. A. Gauthier (Roberval): Mr. Speaker, in rising to speak after the hon. member for Lotbinière (Mr. Fortin), I fully endorse his stand on Bill C-242 concerning increased allowances for members of the House of Commons and Senators.

I was rather surprised tonight, Mr. Speaker, to hear the hon. member for Cochrane (Mr. Stewart) say to the members of the Ralliement créditiste that they were against this bill. Yet, we are only using the time allotted to us. I should like to point out to the hon. member who was asking me a while ago if we meant to engage in

filibustering, that three Liberal members, two from the New Democratic Party and one from the Progressive Conservative Party have already spoken while only one representative from our group contributed to the debate. I believe the hon. member for Cochrane should address himself also to the Progressive Conservative and the NDP members because some of them will surely express opinions contrary to his own. He was right in inviting us to share his opinion but we are absolutely free and still under a democratic government.

I agree to describe the facts before voting. I am keeping to the priorities I promised our citizens I would always defend.

That is why I warn the government that I will not be able to vote in favour of Bill C-242 until it accepts the three following priorities: First, the adjustment of family allowances in keeping with the increase in the cost of living while maintaining their universality; second, the immediate increase of the basic federal income tax exemption to $5,000 for married couples and to $3,000 for unmarried people; and, third, the establishment of secretarial facilities in Roberval county to provide adequate services there.

If we are legislators we are also elected representatives of our ridings and above all social workers for all those who require our services.

Of course, this work requires dedication but also money. That is why I claim that it is incumbent upon the government to supply us with the facilities needed for our work.

We have been asking for such services for almost nine years and we have never been able to get them.

And yet the province of Quebec has set an example for Ottawa in this regard while Ottawa is getting much more taxes from our citizens.

For a long time we have also been asking that the government take over the car expenses incurred when we travel in our constituencies and, here again, we only got promises. Several members told me: Well, thanks to that increase you will now be able to set up an office in your constituency. This office already exists but it keeps going with my own money.

That increase will almost be brought to nothing because of the double taxation. Indeed, on the taxable $6,000 I will have to pay $3,000 in income tax alone. And if I take the balance to pay a salary to a young man, the Minister of National Revenue (Mr. Gray) will again take $1,200 from this young worker. This shows us that the increase will have the effect of increasing the receipts of the federal treasury by $4,200 while only $1,800 will be left to me to render some services to my fellow-citizens. That approach is typical of the government. That is its way of getting taxes. It seems to promise an elephant, and delivers a mouse. But it is the taxpayers who foot the bill.

I cannot therefore go along with this hypocritical game because I have always been loyal to my constituents. As soon as these three priorities have been accepted, I will be prepared to consider new increases in parliamentary allowances.

I am amazed when I realize that the government, after eight years, suggests such an inrease. I think that it would have been much more logical to adjust members of Parliament allowances every year, as they do in the industry or elsewhere, taking into account the rise in the cost of living. But it seems that the government can never be as logical as others. Surely our expenses have increased in the last eight years, like those of other citizens, and I get a good laugh when I see a labour leader like Mr. Laberge being shocked at that increase. I will say to Mr. Laberge, that if he wants to be honest with himself for a change he should sit down with ten of his members and figure out what the increases in salary and expenses have been in the last eight years. He will not even dare open his mouth after that, I am sure.

It is not that I am not aware of the need for an adjustment, but it is a matter of principle and loyalty to my electors. In reply to those who claim that members take it easy today, I invite them, as I did last year, to follow me around just for one week. I maintain that few workers put in as many hours per week.

As for me, my week starts at 4 a.m. Monday, when I leave home, Mistassini, for Ottawa. I drive 500 miles to get here for the opening of the sitting at 2 p.m. and sit until 10.30 in the evening.

From Tuesday to Friday each week, I am on the Hill from 8.30 in the morning till 10.30 sometimes 11 at night, except on Wednesday when I leave at 6 and on Fridays when I leave Ottawa at 5 p.m. to reach my riding at one o'clock the next morning. On Saturdays I must be in my office at 8 o'clock and stay there until very late. On Sundays, when there are no receptions or meetings in municipalities, I receive my constituents in the office and finally I must be on my way at 4 in the morning to travel the 500 miles.

I apologize for having given all those details, but Canadian people must know the truth about members of Parliament. Certainly reporters will not tell them for us. Some may say that not all Members of Parliament work that hard!

With nine years' experience, Mr. Speaker, I do not dare pass judgment on anybody anymore because I know I will be 95 per cent wrong. Being better acquainted with my colleagues, the members of the Ralliement créditiste, with whom I have the pleasure of working, I can vouch that all of them give the best of themselves. And our only reason for being in Parliament is the fight for our principles and the loyalty which we must show to those who have elected us. And it is precisely because of these principles and this loyalty that we cannot accept Bill C-242 as drafted, mainly because of its Part II, concerning the increase for senators.

As I have already said and repeated in this House, I am absolutely against an increase in salary for senators; I am simply in favour of abolishing the Senate so that those who are actually governing the country may have more space.

Senate and House of Commons Act

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, it is always a very delicate thing for an individual to have to discuss a problem in which he is directly involved, as is the case with Bill C-242 dealing with allowances paid to members of Parliament. However, I feel it is my duty to take part in this debate and give my opinion as briefly as possible on the substance of this bill.

This afternoon I listened with great interest to the speech made by the President of the Privy Council (Mr. MacEachen). I was very attentive in trying to understand every word of his remarks, and I must congratulate him for the fairness with which he expounded and defended the bill he sponsored. I feel that he stated clearly what is the real role of a member of Parliament and how this role must in fact be conceived even among the population. But, I will say this: Unfortunately, the function of the member of Parliament is sometimes despised by the people—

Mr. Côté (Longueuil): You do not mean that.

Mr. Lambert (Bellechasse): The minister in charge of the Post Office (Mr. Côté) says that I do not mean this. It is because he knows that I mean ever word that he tells me this, by the way. I know that he is a friend and that he is saying this to tease me. At any rate he recognizes that I am a serious man.

In Quebec, when the Committee on the Constitution was holding meetings on April 19, only eight days ago, I found that French Canadians, some of our own people unfortunately were scornful of the representatives of the people.

It was useless to protest since they had already made up their mind. For them, all members of Parliament are to be despised because they are not exactly aware of their real function and of the way they are performing it.

In the past, unfortunately, some members may have failed to do a good job. But this does not mean that such failure is now general. As for myself, since I have been sitting in the House, I had the honour of meeting every member for whom I have much respect. I think their functions are really honourable. In fact, a citizen who has the good fortune of filling such a post should consider himself appreciated by his fellow men and must, in return, give the best of himself by trying to honestly represent his electors.

Mr. Speaker, I also consider that the remarks made today by my colleague from Lotbinière (Mr. Fortin) were honest. And when we hear sometimes—and I know that it is neither serious nor sincere—some hon. members voicing that the Créditistes lack sincerity or that they are hypocritical, I think they speak beyond their minds. In my opinion, it is only a way of saying that we do not share the same views. I excuse them heartily, and I am convinced that, as early as tomorrow, they will be ready to tell people: These people have the courage of their convictions and say what is on their minds.

Some may say also—or at least they may think—these are members who seem ready to refuse a salary increase.

[Mr. Gauthier.]

I am not against it because we don't need it; we do, it is obvious! Nobody turns down a raise. Sometimes people will ask us the following question: If the bill is passed as it will necessarily be because the government has the majority, will you refuse what is offered to you? No, Mr. Speaker. As a matter of fact, when I vote against taxes increases and when the bill is passed by the majority, I have to pay these taxes as a responsible citizen. The same will happen for this bill respecting increased parliamentary indemnities; and I shall go along with the law and accept the decision of the majority.

There, Mr. Speaker, you have a frank and honest opinion of the role assigned to me and of the situation as I see it.

Mr. Speaker, on February 5, 1970, the government appointed a commission to consider the matter of parliamentary allowances and expenses. The members of Parliament were invited to state their views in this regard. That is exactly what I did. I submitted a brief. So you see, this opinion of mine is not something that I made up tonight.

One only has to refer to the notes of the Breaupré Commission to see that the member for Bellechasse did answer the invitation extended by the Commission.

In the brief I submitted on May 19, 1970, I humbly stated my opinion in answer to the Commission's invitation to make our views known to them.

And this is what I said:

First, since the last readjustment of electoral boundaries, rural constituencies have been enlarged, and as a result a member has to incur heavy car expenses to travel within his constituency and maintain contact with the people.

Second, the constituency of Bellechasse, which includes almost three provincial counties, and which was represented up to June 25, 1968 by three federal members, is now represented by one member only, which has tripled the workload of maintaining contact with the people, travel and other expenses with respect to various organizations and citizen groups, as well as contributions of all sorts.

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

* * *

[*English*]

BUSINESS OF THE HOUSE

Mr. Baldwin: Mr. Speaker, may I ask the President of the Privy Council, as government House leader, if by any miracle members should become shy and tongue-tied on this sensitive matter tomorrow, what we will be doing afterwards?

Mr. MacEachen: Mr. Speaker, we will continue with the present item, the amendment to the Senate and House of Commons Act, followed by the bill to amend the Prime Minister's Residence Act, followed by the bill to amend the Prairie Grain Advance Payments Act, the bill to amend the Canadian Wheat Board Act and the bill to amend the Post Office Act.

• (10:00 p.m.)

PROCEEDINGS ON ADJOURNMENT MOTION

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

VETERANS AFFAIRS—COMPULSORY TRANSFER FROM NON-TAXABLE WAR VETERANS' ALLOWANCES TO TAXABLE GUARANTEED INCOME SUPPLEMENT—APPLICATION OF TAX RELIEF TO 1971

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, on Monday, April 26, as recorded in *Hansard* at page 5222, I put a question to the Minister of Finance (Mr. Benson) in the following words:

> In view of the hope that the Minister of Veterans Affairs has held out to veterans, especially those who are being forced to transfer from the non-taxable war veterans allowance to the taxable guaranteed income supplement, that something will be done this year to relieve their tax position, can the Minister of Finance give the assurance that any changes affecting the position of these veterans will apply to the year 1971?

The reply of the Minister of Finance was to the effect that he could not indicate in advance to the House what the position of the government would be with respect to tax measures. May I say quite candidly that in asking this question tonight I know that I will not get an answer. I know that the Parliamentary Secretary to the Minister of Finance (Mr. Mahoney) will tell me that what I am asking for is a commitment in advance regarding a tax change. I know he will tell me that to give a definitive answer to my question would be to disclose proposed tax changes and that under the practices of Parliament he cannot do that. He may then put to me a rhetorical question, asking me why I am taking up the time of this "late show" to raise this matter. Sir, I do so because to me it is a very important issue and I think that the only way we can hope to get action on it is to keep the issue alive, to keep reminding the government of the fact that it must do something about it.

As hon. members are aware, certain regulations were passed recently under the War Veterans Allowance Act which have the effect of forcing veterans who are 65 years of age and over, and who are in receipt of the war veterans' allowance, to apply for the guaranteed income supplement that can be attached to the old age security pension. The result in terms of dollars that a veteran receives, having been forced to make this move, is the same. There is a ceiling on a single war veterans' allowance recipient of $161 a month. Therefore, if he gets only $80 old age security, he gets $81 in war veterans allowance, which gives him a total of $161 a month. On the other hand, if he applies for and gets the guaranteed income supplement along with his old age security pension, that adds up to $135 a month, whereupon he gets only $26 a month in war veterans' allowance, but the total is still $161.

Since these two totals are the same, someone may ask, why do we complain about it? Apart from other reasons for our complaining about this practice, the fact is that war veterans' allowance benefits are not taxable. Therefore, the single war veterans' allowance recipient whom I described—and I have done it in the simplest terms—would be getting only $80 a month of taxable income, or $960 a year, and therefore he would pay no income tax. But when the same veteran is forced to take $135 a month as old age security and guaranteed income supplement, that results in his having $1,620 a year of taxable income.

If he is 70 years of age or over, he has total exemptions of $1,600 so he has to pay income tax only on $20. Of course, that is not much but the fact is that he has less total income than he would have had otherwise. If the veteran is between the ages of 65 and 70 his exemptions are only $1,100; therefore he has to pay tax on $520. I suggest that this is unfair and should be corrected.

The Minister of Veterans Affairs (Mr. Dubé) has held out the hope that before the end of the year the tax changes to be put into effect by the Minister of Finance will take care of the situation, but we have had no positive or definitive assurance that this will be done and therefore a great many veterans are concerned.

I raise this question, despite the fact that I do not expect to get the answer I would like, in order to underline that concern and to keep the issue alive. I do this in the hope that it will be dealt with in a manner favourable to the veteran just as soon as possible.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, the hon. member has placed this matter on the schedule for debate tonight under Standing Order 39 (6), which implies either that the question was not regarded as urgent by Mr. Speaker in the original instance or that the hon. member was not satisfied with the answer. Since the first was not the case, evidently he was not satisfied with the answer and, of course, in his comments a moment ago he indicated what my answer might be. I appreciate the importance of the matter and the concern of the hon. member in underlining it. I know that with his well-known respect for the institution of Parliament and the traditions upon which Parliament is founded, he cannot, in a technical sense, fail to be satisfied with the answer.

He is asking for a statement involving a change in the tax laws and what, if anything, will be done in that regard must await a budget in the tradition of this House. I should say that the representations made by him on this and other occasions and the representations made by the Minister of Veterans Affairs (Mr. Dubé) with respect to the problem that has arisen for some veterans as a result of changes in war veterans' allowances, have been brought to the attention of the Minister of Finance (Mr. Benson). He is aware of them, they are under consideration and the results of that consideration must await a budget announcement.

Proceedings on Adjournment Motion

FINANCE—REPRESENTATION OF GENERAL PUBLIC ON BANKS' BOARDS OF DIRECTORS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, on April 4, in an appearance on the CBC program "Weekend," the Minister of Energy, Mines and Resources (Mr. Greene) made a brief statement in relation to the banks of Canada and the views of their chief officers. He made some suggestions that would indicate he was seriously thinking there should be representatives of the public on the boards of directors of Canadian banks. The Ottawa *Citizen* of April 5 reported the statements of the minister in some detail and I shall quote two short sections. The first reads:

> Government will have to "play a greater role" in the management of Canadian banks if their presidents "really don't care about the economic and financial independence of Canada," says energy minister Greene.

The article continues:

> Mr. Greene suggested government might have to "sit at the table where the great financial decisions are made in far greater degree than it has in the past to enable Canadian companies to have the financial muscle to play in this very tough league with the American companies."

Because there was wide comment on the statement of the minister, and much editorial comment, the minister wrote a letter to the Toronto *Star* on April 16. I quote a couple of sentences from that letter as follows:

• (10:10 p.m.)

> —we cannot permit the resource and industrial entities of production to be in a continuing and growing degree owned by non-Canadians.
>
> A new factor on this question may have been brought into focus by the recent statements of chartered bank presidents to the effect that they do not support such entities as the Canada Development Corporation to enable a greater Canadian presence in our resource and industrial complex, and further that they apparently do not subscribe to any growing degree of economic nationalism.

He ended the letter by saying:

> These factors would suggest that there should be a public discussion in Canada as to whether, as has been found beneficial in other countries, those responsible for the political direction of the country should have an adequate voice in the financial decisions which will determine the future make-up of our country.

I asked the Minister of Finance (Mr. Benson) on April 5, as a result of news reports of what the Minister of Energy, Mines and Resources had said, whether consideration was being given to legislation which would give the government power to appoint public representatives on the boards of directors of the chartered banks of Canada, which was precisely in line with what the Minister of Energy, Mines and Resources had said. I also said that I am concerned, as is the Minister of Energy, Mines and Resources, about the tremendous power which the banks of Canada wield, a power which stems from the tremendous financial resources they have, resources made available to them by the people of Canada. These resources they hold in trust.

A report on business carried in the *Globe and Mail* in December, 1970, showed that the chartered banks of Canada had as of October 31, 1970, over $45 billion in total assets; that they had loans and mortages outstanding of more than $25 billion; that they had personal savings on deposit in Canada of over $16 billion; that they had other deposits, not counting moneys deposited in banks by the government of Canada, provinces or other banks, of over $18 billion; and that bank profits in the last two years had risen by more than 25 per cent. I am referring to the net profits of banks.

This is tremendous financial power and it seems to me, as it seemed to the minister when he made those statements, that the people of Canada and their government ought to have a good deal more say about how the banks operate and in the decisions which they make, decisions which will affect the well-being of every Canadian citizen. We have not done that up to now. For that reason I asked the Minister of Finance whether he was giving consideration to bringing forward legislation which would permit the government of Canada to appoint to the boards of directors of the chartered banks of Canada public representatives.

I was very disappointed with the minister's reply to my question. He said that the directors of banks are representatives of the public. I agree that they are representatives of a small section of the public of Canada, of that 1 per cent or 2 per cent who have large financial resources. I am not critical of the directors; they represent these people and represent them very well. What I am suggesting, and what I suggested when I asked my question, is that the banks are so important to the well-being of this country that the government of Canada ought to pass legislation such as I have suggested, as has been done in other countries.

As the Minister of Energy, Mines and Resources suggested in his statement, the governments of other countries have power to appoint representatives to the boards of directors of banks. I put forward a relatively moderate suggestion to the Minister of Finance but it met no success. Hopefully, I shall now receive a more sympathetic response.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, on Tuesday of this week, on behalf of the Minister of Energy, Mines and Resources (Mr. Greene) I responded to a question from the hon. member for Compton (Mr. Latulippe) on the same subject matter but from a somewhat different angle. Rather than repeat the general comments I made at that time concerning the financial institutions in Canada, particularly the banks, I refer the hon. member to the answer given on Tuesday evening of this week.

Section 18, subsection 3 of the Bank Act requires that at least three-quarters of the directors of a chartered bank shall be Canadian citizens ordinarily resident in

Canada. At the present time the Minister of Finance (Mr. Benson) has no intention of recommending amendments to the Bank Act, although I would point out that the regular decennial revision to the Bank Act will be a matter of urgent importance to the next Parliament. No doubt suggestions made by the hon. member and others in this regard will be considered when the government formulates the proposals it intends to put forward at that time, whatever government it might be.

Motion agreed to and the House adjourned at 10.20 p.m.

HOUSE OF COMMONS

Friday, April 30, 1971

The House met at 11 a.m.

ROUTINE PROCEEDINGS

[*Translation*]

GOVERNMENT PUBLICATIONS

TABLING OF HANDBOOK, "CANADA"

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, in accordance with the practice adopted last year and in response to the wish that you expressed in 1968 that the publication of the Dominion Bureau of Statistics entitled *Canada* be made available as quickly as possible, I have the pleasure of tabling today copies of that publication in both official languages pursuant to Standing Order 41(2).

The Canada Yearbook is not yet available, but it probably will be towards the end of the summer.

* * *

[*English*]

CANADA CANCER FOUNDATION

PROVISION FOR ESTABLISHMENT OF CORPORATION

Mr. Hubert Badanai (Fort William) moved for leave to introduce Bill C-245, respecting cancer research.

Some hon. Members: Explain.

Mr. Badanai: Mr. Speaker, today being the last day of April, designated as cancer month, I have the privilege to move the introduction of a private bill which I hope will commend itself not only to hon. members but to all Canadians, and particularly to the government.

The purpose of this bill is to focus the attention of all people on the necessity of research to arrest the dreadful disease of cancer. This bill establishes the Canada Cancer Foundation.

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

• (11:10 a.m.)

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

GOVERNMENT DEVELOPMENT PLANS—ACHIEVEMENT OF FULL EMPLOYMENT

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the Prime Minister whether it is the intention of the government to make a statement setting forth its strategy for developing the economy of the country and providing adequate employment opportunities, particularly in view of the grave concern expressed by one of its own ministers in the most dramatic way available to him, by resigning, and the consequent creation of deep disquiet in the country on this whole subject.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, we shall make a statement at the time of the budget.

Mr. Stanfield: Will the Prime Minister also disclose to the House whether the government has any timetable with regard to the achieving of full employment, whether it be defined for convenience as 3, 3½ or 4 per cent unemployment? I ask this question in view of the concern expressed by the chairman of the Economic Council of Canada and the length of time the chairman has indicated the achievement of full employment will take under the government's present policies.

Mr. Trudeau: Now that the New Democratic Party and the Conservative party have defined full employment as 4 per cent unemployment, we will consider the matter.

Mr. Stanfield: I made no such definition. I was simply giving the Prime Minister a little latitude. I should like to ask the Prime Minister, finally, whether there is as much disagreement within his government on the subject of economic policies as there has obviously been with regard to the Public Order (Temporary Measures) Act?

Mr. Speaker: Order. The Leader of the Opposition's supplementary question has argumentative overtones.

Mr. James A. McGrath (St. John's East): Would the Prime Minister define for the House and the country what he considers to be full employment?

Mr. Speaker: Order. It seems to me the hon. member's question is not in order. He invites the Prime Minister to express an opinion as to a definition. He asks what the Prime Minister considers to be full employment. It seems to me that is the kind of question which might be asked as part of a debate but not one which can be accepted at this time. The hon. member might attempt to rephrase the question.

Mr. McGrath: Yes, Mr. Speaker. If the government has a policy aimed at full employment, would the Prime Minister indicate what the government considers to be an acceptable level of unemployment?

Mr. Trudeau: As I said in answer to the first question, in the budget speech our views on this will be made known as they have in the past.

Inquiries of the Ministry

Mr. David Lewis (York South): The Prime Minister knows very well that we have not suggested 4 per cent unemployment as representing full employment and he ought not to say so. In view of the resignation of two ministers in protest against the government's economic policies, is the government reassessing those policies, or does the resignation of the hon. member for Duvernay mean that the government is sticking by the policies it has pursued up to now?

An hon. Member: He is reassessing the cabinet.

Mr. Trudeau: If the hon. member wants to help us reconcile the remedies which the two members suggest for economic policy, perhaps I will accept his advice and help. But the hon. member knows that the resignations by the two ministers did not involve agreement on their part on economic policy.

FOREIGN OWNERSHIP—INQUIRY AS TO GOVERNMENT POLICY STATEMENT

Mr. David Lewis (York South): In view of some of the statements in the letter of resignation from the hon. member for Duvernay, may I ask the Prime Minister whether the cabinet has yet decided on its policies with regard to foreign ownership and with regard to the way in which the resource industries of Canada may be protected for the benefit of Canada, and when may we expect the statement which has been promised for so long on the issue of foreign ownership?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we hoped that we would get some enlightenment on this matter as a result of the New Democratic Party congress, but I can say with certainty that we are more advanced in our policy on foreign ownership than is the hon. member's party.

Mr. Lewis: Mr. Speaker, I had occasion to say once before that I am very much touched by the Prime Minister's humour, which at times is much more relevant than his statements of fact. May I ask the Prime Minister to answer the question when we may expect a statement on foreign ownership either from him or a member of the cabinet?

Mr. Trudeau: Sooner than we are going to get it from the New Democratic Party, Mr. Speaker.

Mr. G. W. Baldwin (Peace River): A supplementary question, Mr. Speaker. Since the Prime Minister has had three years on the job training, is he not now capable of making a few decisions on his own?

Mr. Speaker: Order, please.

* * *

[*Translation*]

INDUSTRY

MINING—ASSISTANCE FOR EXPLORATION IN NORTHERN QUEBEC

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I should like to put a question to the Minister of Indian Affairs and Northern Development.

[Mr. Trudeau.]

This week, the minister has announced the resumption of the assistance program to mining exploration and he has stated that an amount of $2,000,000 would be allotted to it. Can the minister say whether a portion of this amount may be applied to mining exploration in New Quebec?

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): No, Mr. Speaker. My announcement dealt with mining exploration in the Northwest Territories and the Yukon.

Mr. Laprise: Mr. Speaker, I should like to put a supplementary question.

Could the minister say whether the government considers the possibility of granting asistance to mining exploration in that vast area which is also a part of Canada?

Mr. Chrétien: Mr. Speaker, we cannot do that, because natural resources within the provincial boundaries of Quebec come under the jurisdiction of the provincial government.

* * *

[*English*]

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—MEETING WITH UNITED STATES OFFICIALS—COMPLETION OF ENVIRONMENTAL STUDY—CANADIAN POSITION

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the right hon. Prime Minister concerning the meeting on May 3 between United States and Canadian officials. Noting particularly the statement by the United States Secretary of the Interior that he believes that a final environmental study can be completed by mid-September, 1971, is it the opinion of the Canadian government and its officials that this very important environmental study can in fact be completed by that time?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I am afraid I cannot answer. The Secretary of State for External Affairs dealt with this matter yesterday and I do not have the details of it.

Mr. Macquarrie: May I ask the Prime Minister, since this meeting is just a few days away, whether the Canadian government now has a point of view to present to the United States officials regarding the trans-Alaskan pipeline system?

Mr. Trudeau: Mr. Speaker, I know that Mr. Sharp has made—

An hon. Member: Order.

Mr. Trudeau: I know that the Secretary of State for External Affairs has made his position known in the House and elsewhere, as have other members of our caucus. But beyond that I am sure they will have serious talks in Washington and that the policy will be further elaborated.

Mr. Macquarrie: May I ask the right hon. Prime Minister whether the Secretary of State for External Affairs was speaking for the government at that time?

Mr. Trudeau: Yes, Mr. Speaker, he was speaking for the government.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—REQUEST THAT COMMITTEE INQUIRY BE PROCEEDED WITH

Mr. David Anderson (Esquimalt-Saanich): A supplementary question, Mr. Speaker. In light of the revelations at the United States Senate hearing yesterday, where it was obvious to Secretary of the Interior Morton and others that further studies would have to be made, may I ask the Prime Minister once more whether or not at this stage he is willing to instruct the government House leader to withdraw his untimely support for the Conservative motion which prevented this House from carrying out such a study on the effects in Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I have raised the matter with the House leader and we did indeed discuss it. We feel that the matter should indeed be seized by parliamentarians, but there is a committee on national resources, I believe, that is also enabled to study such matters. Consideration will be given to the form in which discussions can take place.

Mr. Anderson: Mr. Speaker, in view of the fact the House has no knowledge whatsoever of the committee on national resources seizing itself of this problem, and as we have no advice or information that the House will instruct that committee to take up this problem, may I ask the Prime Minister whether he will ask one of his ministers responsible to give instructions through the House to that committee to carry out such a study?

Mr. Trudeau: Mr. Speaker, the position is that there are other members of other committees who can do this job equally as well, and it is a matter of deciding which committee should be doing this job.

An hon. Member: Hard luck!

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I believe the Leader of the Opposition has a supplementary question.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—PERSONS RESPONSIBLE FOR DEVELOPING GOVERNMENT POLICY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, in view of the suggestion by the right hon. Prime Minister, as I understood him, that the policy of his government will be further elaborated in the course of the meeting next week in Washington, is the policy of the government with regard to the trans-Alaska pipeline system being elaborated and worked out by officials rather than by ministers of the government?

Right Hon. P. E. Trudeau (Prime Minister): Just like the hon. member's question, Mr. Speaker. While I am on my feet—

Mr. Speaker: Order, please.

An hon. Member: What happened? Did you have a bad night?

Mr. Speaker: Order, please. I believe there are one or two supplementary questions to be asked on the subject.

An hon. Member: It's time for another holiday.

Mr. Stanfield: Mr. Speaker, I asked the right hon. Prime Minister a serious question. Is government policy going to be worked out by the government officials who will visit Washington next week?

Mr. Trudeau: Mr. Speaker, it is quite clear that the policy of the government is the policy of the elected representatives of the people, but surely the Leader of the Opposition knows that officials can also contribute toward this type of policy formation. It is not extraordinary that meetings at the international level be held between officials.

Mr. Stanfield: You said they would elaborate the policy.

Mr. Trudeau: I cannot quite understand what the difficulty of the Leader of the Opposition is.

Mr. Speaker: Order, please. I appreciate that the right hon. Prime Minister is anxious to refer to another question, but before we go on to the matter the right hon. gentleman has in mind I will allow a last supplementary by the hon. member for Cape Breton-East Richmond, following which the Prime Minister will be allowed to refer to the other matter. Then, the Chair will recognize the hon. member for Calgary North.

Mr. Donald MacInnis (Cape Breton-East Richmond): Mr. Speaker, since the Prime Minister has been struggling to maintain the floor in order to impart some knowledge to the House, I was about to ask him to give the House that information.

Mr. Speaker: I thank the hon. member for Cape-Breton-East Richmond for his assistance to the Chair.

Some hon. Members: Oh, oh!

Mr. Speaker: I appreciate the hon. gentleman's continuing assistance.

Mr. Trudeau: Mr. Speaker, I think the hon. member for Cape Breton-East Richmond has responded to the spirit of co-operation I wanted to have prevail.

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NATIONAL SECURITY

EXPIRY OF PUBLIC ORDER (TEMPORARY MEASURES) ACT—TABLING OF CORRESPONDENCE BETWEEN PREMIER OF QUEBEC AND PRIME MINISTER

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I should like the floor to table the correspondence the hon. member for Saint John-Lancaster asked me about

yesterday between the premier of Quebec and myself in relation to the Public Order (Temporary Measures) Act.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in view of the fact the premier of Quebec has accused the Minister of Justice of a lack of logic, since the Minister of Justice said yesterday he was going to set up a joint committee of members of the House of Commons and the Senate to look into the kind of legislation which might be produced, and as the Prime Minister has now filed some material, is he prepared to file all the correspondence between himself and the premier, including telegrams, in order that when the terms of reference of this committee come before the House we will be in a position to study them and determine if they are wide enough in scope to ascertain the true situation?

Mr. Trudeau: Mr. Speaker, I want to be helpful, but out of memory I think I have indeed tabled all the correspondence on this matter between the premier of Quebec and myself beginning with the letter he sent me early in October requesting that the federal government realize that there was an apprehended insurrection and concluding with the letters I have his permission to table today.

Mr. Woolliams: Mr. Speaker, I have a supplementary question and, believe me, I do not ask it in an argumentative way.

An hon. Member: Oh, no?

Mr. Woolliams: Is the Prime Minister assuring the House that all letters and all telegrams between himself and the premier and between the premier and himself have been tabled for our information? If he is not capable—I do not mean capable—if he is not able to answer at the moment because of lack of information, will he check into the matter and assure the House that he will table all correspondence?

Mr. Trudeau: Mr. Speaker, as I said, according to my memory I have tabled the relevant correspondence. There may be other pieces of correspondence. I will ask my office to check into it. If there are such other pieces, I will see if the premier of Quebec has any objection to tabling them. If he does, I shall not table them, but if he has no objection I shall table them.

EXPIRY OF PUBLIC ORDER (TEMPORARY MEASURES) ACT—CORRESPONDENCE FROM PROVINCES OTHER THAN QUEBEC RESPECTING NEW LEGISLATION

Mr. G. W. Baldwin (Peace River): I have a supplementary, Mr. Speaker. Have there been requests from any other provinces for legislation of this kind or letters and telegrams of this kind from other provinces and if so, will the Prime Minister table them?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I know of no other correspondence with my office on this matter, but I know that the subject matter has been discussed verbally between the premiers and ministers of other provinces and federal ministers.

[Mr. Trudeau.]

CANADIAN NATIONAL RAILWAYS

EXTENT OF INVOLVEMENT IN NATURAL GAS PIPELINE CONSORTIUM, GAS ARCTIC

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Minister of Transport arising out of information revealed in the 1970 annual report of Alberta Gas Trunk to the effect that Canadian National Railways has now become involved with the consortium known as Gas Arctic which is planning a pipeline to move natural gas from Prudhoe Bay through Canada to the United States. Can the minister tell us the nature and extent of this involvement by the Canadian National Railways in Gas Arctic?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, it would be quite impossible to give the nature and extent of the involvement in order to explain it thoroughly in answer to a question of this sort. I can say, however, that at the present time it is merely, if I can use this expression, a holding action on the part of Canadian National. They are exploring new avenues for activity, investment and development, and they have participated in this group on that basis. But there are no, in a sense, deep or ongoing commitments as of the present time. If it will be of any benefit to the hon. member I can perhaps write him a letter indicating the full terms, but I think that is all I can say in answer to an oral question.

Mr. Douglas: Mr. Speaker, may I ask if there is any commitment with reference to Canadian National Railways acquiring an equity position in this consortium, and what is the amount of that commitment?

Mr. Jamieson: Again, Mr. Speaker, I can only reply that in so far as I am aware it is exploratory at the moment. Conceivably it could lead to the involvement of Canadian National because, of course, pipelines are in a sense a form of transportation and they are merely maintaining the normal position of transportation companies in this regard. My memory is there is no commitment to an equity position at the moment, but I will be glad to look into the matter and reply as fully as possible later.

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[*Translation*]

AGRICULTURE

INTERPROVINCIAL MARKETING—STUDY OF CONSTITUTIONALITY OF PROVINCIAL REGULATIONS

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, I have a question for the Prime Minister.

In view of the increasingly acute problem between the governments of Quebec and Ontario concerning the marketing of broilers and eggs, does the government intend to request its legal advisers, if it has not already done so, to carry out a study on Ontario and Quebec marketing legislation in order to ascertain whether it is in keeping with the constitution and whether it does not paralyze free movement of products within Canada?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the Minister of Justice has had occasion to explain to the House that we do not consider that as the best way to solve the problem mentioned by the hon. member. We are convinced that through the Farm Products Marketing Agencies Act, i.e. Bill C-176, the problem can be dealt with firmly. We hope this will soon be done.

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

Could the Prime Minister tell us whether he intends to request such legal advice?

* * *

[*English*]

AIR TRANSPORT

PROVISION OF INFORMATION TO AIR TRAFFIC CONTROLLERS ON CHANGES IN AIRCRAFT IDENTIFICATION CODES

Mr. J. M. Forrestall (Dartmouth-Halifax East): I should like to direct one or two more brief questions to the Minister of Transport with respect to air safety. Has the minister or his department now taken the necessary appropriate steps to ensure that any changes, either by the FAA or by the Department of Transport, with respect to identification codes used in the transponders in aircraft will be effectively transmitted prior to their coming into effect in equipment in operation in North America?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. The officials have advised me that in their judgment the existing arrangement is satisfactory. However, in the event that there may be some problem or some gap in the arrangement I have asked the top officials of the department, including those who have major responsibilities for flight safety, to consult with the air traffic controllers themselves. This, I hope, will take place immediately, and as far as I know it will within the next day or two.

Mr. Forrestall: In view of the fact that some international confusion continues to exist and we have had difficulty in resolving the problem, I wonder whether or not Canada could take some lead in bringing about a system of international identification through transponders that would preclude any further confusion and the possibility of a serious accident? Could we not take the lead?

Mr. Jamieson: Yes, Mr. Speaker. I think it is generally known that on many safety issues we have taken the lead in the international field of aviation. I am happy to advise the House that the new representative of the Canadian government at ICAO, who will be appointed within the next few days, is in fact a man who has had wide experience in the air controller field. In other words, we have chosen a man who has maximum competence in this area, and he will be working on it.

SUGGESTED AUTHORIZATION OF AIR TRAFFIC CONTROLLERS TO GROUND PILOTS DISOBEYING INSTRUCTIONS

Mr. Lloyd R. Crouse (South Shore): I have a supplementary question for the Minister of Transport. In view of the fact that air traffic controllers do not have the authority to ground pilots who disobey their instructions, has any thought been given to strengthening the hand of air traffic controllers with a view to providing still further safety for those who travel by commercial or private air lines?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker. I think that the House would agree that the ability to ground a pilot should not rest with the controllers but that the controllers should have full freedom to notify those who do have authority to ground pilots. It is this kind of technique, this kind of communications network, that we are trying to improve at present; hence the ongoing talks with the controllers. In other words, if they have ideas for improving the system we will be very glad to consider them and, if they are logical, to implement them.

* * *

THE CANADIAN ECONOMY

FOREIGN OWNERSHIP—COMPLETION AND TABLING OF REPORT TO CABINET

Hon. Marcel Lambert (Edmonton West): My question is for the Minister of National Revenue. In light of the resignation from the cabinet of the hon. member for Duvernay and of the fact that his stated reasons have some economic implications, can the minister tell us when he anticipates completing the study on the degree of foreign ownership, foreign takeovers, etc. and presenting the report to the cabinet? Will it be the intention then to table that document well ahead of the presentation of income tax changes so that we can consider the package as one?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, I advised the House previously that the work I had been carrying on was work within the government for the use of the cabinet. I do not think it is appropriate to comment in the way I am invited to do by the hon. member on what is essentially a matter of cabinet business. As the Prime Minister pointed out, it is the government's intention to inform the House once the cabinet reaches a decision on this very important matter.

TIME OF INTRODUCTION OF TAX REFORM PROPOSALS

Mr. Thomas M. Bell (Saint John-Lancaster): I have a supplementary question for the Prime Minister. In view of the implications that this resignation may have with regard to the tax reform proposals, will the Prime Minister confirm that the government is going ahead with its regular timetable on tax reform and will he tell the House just what it is so that we can be reminded again of the date when the tax proposals will be brought before the House this summer?

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, we will be going ahead with our regular schedule. I do not think the resignation to which the hon. member referred will affect the schedule adversely—perhaps the contrary. As to the timetable, I hope that by

next week we will be in a position to inform Members of Parliament definitely as to the schedule so that they will be able to make whatever plans appear to them to be necessary for the summer months.

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EXTERNAL AFFAIRS

EAST PAKISTAN—PROVISION OF RELIEF—DISCUSSION WITH RED CROSS

Mr. Andrew Brewin (Greenwood): My question is addressed to the Prime Minister. As the Secretary of State for External Affairs stated in the House yesterday the government's general intention to assist in the relief of the people of East Pakistan, can the Prime Minister tell us specifically whether the question of such relief has been discussed with the International Red Cross?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I do know that the Canadian High Commissioner is in East Pakistan rather than in Islamabad and that he has been asked to report to the government on the possibility of moving large supplies of foodstuffs and other supplies to East Pakistan if and when they are requested by the government of that country. I should also say that I have been in communication with the president of Pakistan. However, so far as the Red Cross is concerned, I am not aware of any exchanges having yet taken place.

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YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—PROGRESS IN NATIONAL DEFENCE SECTOR

Mr. W. B. Nesbitt (Oxford): I have a question for the Minister of National Defence. Would the minister, perhaps on Monday, make a statement on motions to the House informing us to what extent his aspect of the summer employment program for students is working? Are all the spaces taken up or is there room for more applications? I ask this question in view of the fact that the minister's share of the program is probably the most practical one, and we would like to know how it is progressing.

Hon. Donald S. Macdonald (Minister of National Defence): I will consider the suggestion about making a statement. I can say in a general way that the program, as it was last year, has been oversubscribed.

Mr. Nesbitt: In view of the fact that the minister's share of this program has been oversubscribed, would he take up the matter with his cabinet colleagues and try to obtain more money to enlarge the program?

Mr. Speaker: Order, please. I have to draw to the attention of hon. members that we are falling behind our schedule this morning.

[Mr. Trudeau.]

POWER

PROPOSED LARGE-SCALE QUEBEC DEVELOPMENT—DISCUSSIONS BETWEEN FEDERAL AND PROVINCIAL GOVERNMENTS ON DIVERSION OF WATERS AND EXPORT

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the right hon. Prime Minister a question with regard to the suggested large-scale power development by the province of Quebec. Have there been any discussions between his government and the province of Quebec with regard to the diversion of waters, in association with any such project, under the jurisdiction of the government of Canada and any discussions with regard to the export of power as a result of such diversion?

Right Hon. P. E. Trudeau (Prime Minister): I will take the question as notice and ask the appropriate minister to reply. There have been none with me personally.

PROPOSED LARGE-SCALE QUEBEC DEVELOPMENT—ECOLOGICAL STUDIES OF PROBLEMS INVOLVED IN DIVERSION OF RIVERS

Mr. J. P. Nowlan (Annapolis Valley): Earlier in the week I asked the Minister of Fisheries and Forestry whether any officials in his department had made surveys on the ecological problems involved in the diversion of five major rivers for this project. He said at that time that he would check to see what he could find out and then would inform the House. Is he in a position now to tell us what, if any, activity or involvement there has been by his department with officials of Quebec in this problem?

Hon. Jack Davis (Minister of Fisheries and Forestry): I know of no such inquiry. However, I am still checking to make absolutely certain that there have been no investigations of this kind relating to diversions.

SALE BY QUEBEC TO UNITED STATES INTERESTS

Mr. Eldon M. Woolliams (Calgary North): In view of the questions that have been asked with reference to this development, was there any discussion between the Prime Minister and the premier of Quebec with regard to the selling of Quebec-Hydro for $2 billion to United States interests inasmuch as the government seemed to be very interested in what might happen in regard to a company in Calgary, namely, Home Oil?

Right Hon. P. E. Trudeau (Prime Minister): I understand that it is the sale of electricity, not of any company, that is involved. Of course the House knows that the government is favourably disposed to the sale of Canadian oil, and it is normal that it should also be favourably disposed to the sale of electricity in appropriate circumstances.

Mr. Speaker: Order, please.

Mr. Pepin: Mr. Speaker, could I supplement the answer of the Prime Minister.

Mr. Speaker: Order, please. I brought to the attention of hon. members a moment ago, the fact that we were running short of time. I think it should be time to give an opportunity to other hon. members to participate in this particular operation. These remarks include ministers, who might supplement their replies on Monday.

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TRADE

REPRESENTATIONS BY JAPANESE IMPORTERS RESPECTING MARKETING OF RAPESEED

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, I have a question for the Minister of Industry, Trade and Commerce. Have Japanese importers made any representations to his department or any other department, so far as he is aware, regarding the placing of the marketing of rapeseed under the Canadian Wheat Board?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Not so far as I am aware, Mr. Speaker, but I will inquire.

* * *

[*Translation*]

HOUSING

ABOLITION OF SALES TAX ON BUILDING MATERIALS

Mr. André Fortin (Lotbinière): Mr. Speaker, I would like to put a question to the minister responsible for housing.

Considering the economic situation and the uncontrollable unemployment rate, are the officials of his department examining the possibility of abolishing the 11 per cent sales tax on building materials?

* * *

[*English*]

POST OFFICE

ALLEGED DIFFICULTIES RESULTING FROM NEW MAIL ROUTINGS

Mr. John Burton (Regina East): Mr. Speaker, I wish to direct a question to the Minister without Portfolio in charge of the Post Office. Since new mail routings introduced by the Post Office have in many cases resulted in much slower mail service and reduced standards, is the minister planning a further overhaul to correct the mess that exists in many places?

Hon. Jean-Pierre Côté (Minister without Portfolio): Mr. Speaker, I did not quite understand the first part of the question.

Mr. Burton: Is the minister not aware that there are many cases in Canada, such as some in Saskatchewan which have come to my attention, where mail that formerly travelled 109 miles in two days to reach its destination from a major centre now has to travel almost 350 miles and takes six days?

Inquiries of the Ministry

An hon. Member: That is a mess.

Mr. Speaker: Order, please.

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LABOUR RELATIONS

SETTLEMENT OF DISPUTE BETWEEN ST. LAWRENCE SEAWAY AUTHORITY AND EMPLOYEES

Mr. Norman A. Cafik (Ontario): Mr. Speaker, I have a question for the Minister of Transport. I have heard that there may have been some recent developments in connection with contract negotiations between the union and the St. Lawrence Seaway Authority. I wonder whether the minister would like to make a statement or indicate to the House if any developments have taken place that should be mentioned at this time?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, hon. members will realize that this takes me completely by surprise.

Some hon. Members: Oh, oh!

Mr. Jamieson: I am happy to advise the hon. member and the House that a settlement of the seaway negotiations was completed this morning, thus keeping the Minister of Labour's batting average pretty close to 1,000.

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INDIAN AFFAIRS

LENNOX ISLAND RESERVE—CONSTRUCTION OF LINK TO MAINLAND

Mr. David MacDonald (Egmont): Mr. Speaker, my question is for the Minister of Indian Affairs and Northern Development. Inasmuch as there is an appropriation in this year's estimates for the construction of a link between the Lennox Island Indian Reserve and Prince Edward Island, can the minister indicate when construction will commence this year?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I cannot give the answer today but I shall inquire and inform the hon. member by mail.

* * *

[*English*]

HOUSING

POSITION RESPECTING MORTGAGE ON ROCHDALE COLLEGE, TORONTO—INQUIRY AS TO STATEMENT

Mr. W. C. Scott (Victoria-Haliburton): Mr. Speaker, my question is directed to the minister responsible for housing and urban affairs. It deals with the overdue mortgage held by Central Mortgage and Housing Corporation on Rochdale College, Toronto. Would the minister say

whether or not he is ready to make a statement concerning the government's plans to recover the money advanced to this institution?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I am not ready to make a statement on this occasion but I hope it will be soon.

REPORT ON SEWAGE DISPOSAL AND WATER POLLUTION

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, my question is for the minister responsible for housing. Can the minister tell the House why his department has held up for more than six months the publication of a report on water pollution? Can he tell us when we may expect the 14 recommendations contained in the report on water pollution and sewage disposal to be made public?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, I am not aware of the report to which the hon. member refers. We have at any given time a series of staff papers on a broad range of subjects. These are internal papers, generally speaking. Some proposals we accept and some we reject. I cannot identify precisely the particular report about which the hon. member is talking.

Mr. Speaker: Order, please. It seems to me that we might save time if the hon. member would communicate directly with the minister to identify the report in question.

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SUPPLY AND SERVICES

LETTING OF CONTRACTS WITHOUT COMPETITIVE TENDERING

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, may I direct a question to the Minister of Supply and Services. Since $1.8 million was paid to one consultant firm for federal contracts in the last two years without competitive tendering, can the minister indicate what guarantees there may be against abuses in awarding contracts on the basis of non-competitive tendering?

Mr. Speaker: Order, please. The hon. member is putting a question which in my view is very wide in scope. I would think that kind of question should be placed on the order paper.

Mr. Skoberg: Mr. Speaker, this matter is of some urgency because non-competitive tenders are being sought. May I ask whether consideration is being given to abolishing non-competitive tendering which seems to be increasing?

Mr. Speaker: Order, please. I suggest that the additional information the hon. member is seeking might be included in a statement to the House on motions or in a written reply to the hon. member's written question.

[Mr. Scott.]

FEDERAL-PROVINCIAL RELATIONS

NATURE OF DISCUSSIONS BETWEEN MINISTER OF TRANSPORT AND PREMIER OF NEWFOUNDLAND

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is for the Minister of Transport. Can the minister say if he had discussions yesterday in Ottawa with the premier of Newfoundland and is he able to say what matters were discussed at the meeting?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, it is a fact that I had discussions with the premier of Newfoundland yesterday. A wide range of matters was discussed, including how well the hon. member for St. John's West is doing in the House.

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URBAN AFFAIRS

TRILEVEL NATIONAL CONSULTATION—FREQUENCY OF MEETINGS—SPECIAL POWERS FOR MUNICIPALITIES WITH OVER ONE MILLION POPULATION

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is for the minister responsible for urban affairs. As the three levels of government yesterday at the Winnipeg tripartite conference committed themselves to national consultation on problems created by mushrooming urban growth may I ask, first, whether regular meetings are planned and, if so, how often and, second, whether special powers are to be given to municipalities with populations of over one million?

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, the commitment to the principle of trilevel consultation was, I think, a very encouraging action yesterday. It came after two days of what I would describe as difficult and intense negotiations. It was a commitment subject to ratification by the governments represented by each of the provincial ministers attending the Winnipeg meeting. The details the hon. member is seeking I regret that I cannot give him now because the intergovernmental committees to deal with those kinds of details have just now been found. I would emphasize that we will have to move stage by stage into this area, holding to the commitment that national trilevel consultations will take place, I hope, on a full and continuing basis starting late this fall or, at the latest, early next year.

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BRIDGES

OHIO-ONTARIO—GOVERNMENT ACTION FOLLOWING STUDY BY STATE INDICATING FEASIBILITY

Mr. H. W. Danforth (Kent-Essex): Mr. Speaker, this matter is of interest to several departments of government, but I have taken the liberty of giving notice of my question to the Minister of Public Works. Since a very comprehensive study initiated and completed mainly by the state of Ohio indicates that an international bridge linking that state with the province of Ontario is not only

possible but practical, can the minister advise if a similar study is under way in Canada, or are we co-operating in any manner with regard to this bridge which has tremendous potential economic possibilities for the entire area?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, this giant idea seems to be more of a conception than a proposal. It surfaced first in 1965 and has been discussed, I think, with Ontario. No approach has been made to my department. I am advised by my colleague, the Secretary of State for External Affairs, that no approach has been made to his department. If it comes to reality then, of course, it will be very important to Canada. An approach will have to be made through the Department of External Affairs because of the fact of traversing Canadian inland waters.

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TRADE

ESTABLISHMENT OF PERMANENT OVERSEAS OFFICES TO PROMOTE GRAIN SALES

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Minister of Industry, Trade and Commerce. In view of the expression of views by the Canada Grains Council concerning the maintenance of permanent overseas offices to develop market information and grain sales, have there been in the past or are there now officials of his department permanently stationed in overseas offices who have a responsibility in this area?

Mr. Speaker: Order. I suggest to the hon. member that his question well might be placed on the order paper, or he may prefer to have it considered at the time of adjournment.

Mr. Benjamin: In light of the views expressed yesterday by the Grains Council, can the minister advise if the government is giving any consideration to maintaining either governmental or non-governmental, non-profit offices overseas to develop additional grain sales?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): To make it short, Mr. Speaker, I will only say that all my trade commissioners are working part-time for the Canadian Wheat Board. If more is suggested, we'll look into it.

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[*Translation*]

AIRPORTS

STE. SCHOLASTIQUE—REQUEST FOR STATEMENT OF JURISDICTIONAL DISPUTE AFFECTING WORKERS BETWEEN FEDERAL AND QUEBEC GOVERNMENTS

Mr. Roch La Salle (Joliette): Mr. Speaker, I had a question for the Minister of Labour, but in his absence I shall direct it to the Prime Minister.

In view of the present problems which interfere with the construction of the airport in Ste. Scholastique, could the minister tell us today or shortly whether these problems come under joint jurisdiction or under provincial jurisdiction only?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I would not give a legal opinion, but I wish to be as helpful as possible to the House by explaining that we have funds available, that we have made plans for the new airport and that we have also entered into contracts to ensure the implementation of some of these projects. We want to find the workers needed by those contractors to do their work and if I am well informed such is the federal government's position.

As far as the position of the others involved is concerned, the hon. member should inquire elsewhere. I believe this issue is twofold: there is the conflict between unions and there is the conflict relating to the actual problem of the construction workers which has come up within the Quebec legislation itself.

Mr. La Salle: Mr. Speaker, I have a supplementary question I wish to ask the Prime Minister.

Considering that the interest of Canada is still involved, does the Prime Minister intend to meet with the provincial authorities in an effort to find a solution to this problem as soon as possible?

Mr. Trudeau: Mr. Speaker, there have been several meetings between the federal Minister of Manpower and Immigration and the Quebec ministers as well as at the official level. I repeat that the federal position is quite clear. We want to proceed with the construction of this airport and I believe that it is in the best interests not only of workers but also of the population of Quebec as a whole that we should do so, for if the construction of the Toronto airport is more expeditious than that of the Montreal airport, it is only normal that major airlines will seek to change their landing rights and I feel that trade unions especially should consider this problem as urgent.

• (12 noon)

[*English*]

GOVERNMENT ORDERS

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.

The House resumed, from Thursday, April 29, consideration of the motion of Mr. MacEachen that Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act, and the act to make provisions for the retirement of members of the Senate, be read the second time and referred to the Standing Committee on Procedure and Organization.

[*Translation*]

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I would first of all request that an error which appeared in

yesterday's French *Hansard* be corrected. In fact, I am quoted as saying:

...j'ai constaté que, heureusement (fortunately), des «gens de chez nous»...

whereas I said indeed:

...malheureusement (unfortunately), des Canadiens français, des «gens de chez nous», méprisaient le rôle des représentants du peuple.

I wanted to make that correction to *Hansard* so that people reading later our official report may see that I was deploring the situation instead of approving it.

Mr. Speaker, at the adjournement last night I was indicating that my position regarding members' sessional and expense allowances dates back to a long time ago. As early as May 1970 I submitted a brief to the Beaupré Committee expressing the following view:

As for myself, I find inconceivable that many officials, while getting better pay than hon. members, are enjoying greater privileges. For instance, a civil servant travels at the country's expense while the member who is visiting his constituency does it at his own costs. Furthermore, many civil servants' office are more spacious, better organized, more comfortable and so forth.

It is inconceivable that a member should work comfortably in a 12-by-12-foot office, where there are two other persons as well, in addition to the filing cabinets.

The Beaupré committee deplores the fact in their report where they say on page 25, and I quote:

(1) Underlying the problems of adequate office facilities for Members and their staff,...is the drastic lack of space on or adjacent to Parliament Hill.

I had also suggested that the state provide an office and a secretary for the member in his riding that he might better serve his constituents. This is also noted in the Beaupré report, on page 25, and I quote:

(2) Staff assistance must also be improved if the Member is to adequately perform the heavy and varied tasks of counsellor, ombudsman, communicator and legislator.

(3) Another area of concern is the important relationship between the parliamentarian and the constituent. Facilities for better communication should be available and, in particular, more assistance must be given to Members of the House of Commons who represent large constituencies, which present special travel problems.

It would be quite normal for the state to establish a federal office in each constituency so that citizens may meet their member or his secretary to discuss matters conncerning the national administration, since the member is the one link between the people and the government.

It must not be forgotten that the member is first of all a "legislator". He must be given as much time as possible to discharge his duties carefully.

Speaking on the freedom of hon. members and the sense of their responsibilities, the President of the Privy Council (Mr. MacEachen) was saying that at any rate they ought to be better paid. I agree with him on that and were I quite convinced that, through an increase of his parliamentary salary, each member, whatever his party might be, would really become free, and this to such a point that there would not be any longer in this House a vote along party lines, whatever bill might be introduced, I would not hesitate to favour this increase, in order to secure this freedom and the sense of responsibility which are priceless. If it were to eliminate the electoral funds financed by big financial interests, it would be worth it.

Ever since I have been sitting in this House, I have very often stood for the right of the disadvantaged, without neglecting the others, by suggesting an increase in family allowances which would be useful to the mother of a family, especially during the period of unemployment we are experiencing presently which has many families worried.

I also requested an increase of basic exemptions for individuals and families. Hon. members will recall that on March 15, 1971, I moved a motion for Parliament to reject the bill respecting the continued application of the 3 per cent surtax on income, which motion was defeated by the Liberal and Progressive Conservative members.

Moreover, I have often pleaded in favour of the farmers, in order that the government might give them equal opportunities in society, thus enabling them to earn more and to live in a decent manner.

I realize that the salaries of members of Parliament do not account for such a large share of the budget, since the proposed increase will cost only about $7 million out of a budget of $14 billion. Provisions in respect of the judiciary will cost more than the legislative, since the proposed increase of the judges' salaries will cost $9 million.

Thus the legislative power takes $1 every $2,000 of the budget or 32 cents a year for every Canadian.

As far as I am concerned, I am convinced that if the gross national product makes it possible to increase the salaries of members of Parliament, it also makes it possible to improve the living conditions of Canadian families. So why not do that too?

Just this morning a building contractor of Quebec city who had taken notice of Bill C-142 called me up to make this request: Please do not forget to take the opportunity of this debate to express our concern to Parliament. It is difficult for us to get paid when we sell a house, and building operations are more and more expensive. I hope that you will also think about increasing the income of families so they can pay us. And he had this to add: For goodness' sake, please revoke the 11 per cent sales tax on building materials.

I readily transmit his message because I feel that he is right. It will also be recalled that on March 25, 1971, a former member of the cabinet did ask for the abolition of that 11 per cent sales tax, because of the harm it was doing to Canadian families.

Another thing is also very costly for Canadians: the interest on the public debt, which now stands at $2 billion per year. At least half that amount is paid to financial institutions that have the privilege of using the people's credit to their advantage. It is against this exploitation and this abuse that Parliament and the people should protest most strongly.

If the government really carried out its duties in a responsible way, it would call on the Bank of Canada to issue the credits required to finance the public sector. Canadians would pay less taxes, now used to pay unnecessary interest charges and they would more readily accept their representatives granting themselves a more substantial increase.

Considering the number of hours I give to my work as a member of the House every day of the week, I do not have to be ashamed of the salary I receive, because I really earn it. I am also convinced that my constituents are aware of this. As far as I am concerned, I believe I am working for the establishment of a just society.

Yesterday a Liberal member told me it lies with each member of Parliament to "evaluate himself" and if a member votes against Bill C-242, it means he does not think he is worth more.

Is it on that basis that the Liberal government has always refused to increase family allowances, because it did not think the dedication of mothers was worth more? Is it on that basis that the government did not see fit to increase by more than 42 cents a month the regular old-age pension?

If the people who serve the community must be paid according to the services rendered, then in view of the bad economic situation prevailing in the country, the bad financial policy followed by the Governor of the Bank of Canada, the salary of that public servant should be reduced immediately.

Mr. Speaker, those were the comments I had to make on second reading of Bill C-242, but I may have more to say in due time when the bill is referred to the committee.

[*English*]

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I want to say a few words about this legislation before it is passed. What I am going to say will perhaps be very unpopular in this chamber. I realize that. However, we are not here to win popularity contests among fellow members, but to do what we believe is right for our constituents and the country.

A Member of Parliament often serves his constituents and this country at a financial loss. My brother is a medical doctor. He had a fairly good practice. He came to Parliament for nine years. Every year that he was here he suffered a financial loss. He did not regret any of those years because he felt that the psychic reward of serving others was worth any financial loss he may have had during his period here.

Members of Parliament should receive a high enough salary to enable them to have a good standard of living. They must receive enough so that they will be above any temptation which may come their way to put their hand in the pot, take money illegally or accept bribes from those people who might want a Member of Parliament to do something for them.

The salary of a Member of Parliament should be high enough to attract men of proven ability, as stated by the Prime Minister (Mr. Trudeau) when he announced this bill. I agree with the Prime Minister that it should attract the best people possible to our Parliamentary system. However, there was no difficulty in attracting people in the 1968 election. There were plenty of candidates running in nearly every riding in Canada. There were huge nominating conventions held in many ridings for persons seeking the opportunity to serve their constituency and Canada.

If the majority of the people in Canada were of low intelligence, there would perhaps be the danger of people with low intelligence being elected to Parliament. Actually, the reverse is true. Our standards of education in Canada have risen markedly, particularly in the past 20 years. Canadian have a high level of intelligence compared with the people of some other countries. The chance of attracting Parliamentarians of proven ability and high calibre is certainly very good.

We must consider the other possibility. We are now being asked to grant ourselves a huge pay increase. Those who ran in the last election entered into a contract with their voters that they would serve them under the present conditions until the next election. It would be far more appropriate if this legislation became effective following the next election. In other words, the pay raise and other conditions for Members of Parliament should take effect after the next election. Improvements in the position, staff and facilities of Members of Parliament, as well as their financial reward, should not go into effect before the next election. I believe it would be morally correct to adopt this attitude.

We must consider the economic climate in Canada today, of which we are not proud. I think that the cabinet minister who recently resigned did so because of the economic conditions in Canada. We have a very high level of unemployment. Many people are quite depressed about the available opportunities in this country. Many young people are not able to find employment suitable to their taste and ability. This is leading to a great deal of unrest. We have hired Mr. Young to preside over a Prices and Incomes Commission to examine the economy and attempt to stem the tide of huge wage demands and price increases. After hiring Mr. Young, if we really believed he could do something, in all conscience we cannot grant ourselves retroactive pay increases back to October at this time. We could, I think, increase the pay of members but only to take effect after the next election.

• (12:10 p.m.)

A Member of Parliament going through a number of elections soon realizes that tenure of office is very insecure. A Member of Parliament does give up a lot of the opportunities which would come his way if he were not a Member of Parliament, particularly a young man in his most progressive period. When he is through he has to go back to where he started, and there is no question in my mind that many Members of Parliament find that when they are defeated or when they leave this place they have very little to go back to.

There is no question in my mind that in the 13 years I have served as a member, the workload has increased

tremendously. Nowadays a member gets more work and has more issues to deal with in his office than ever before, partly because of the economic situation and partly because Canadians across Canada are far more aware of their Member of Parliament and are in touch with him far more often than in the past. When I was first elected, parliament sat for about seven months of the year. Now, it is sitting nearly full time; it was suggested today we would be here all the summer and this may be the case. So, there is no question in my mind that the workload has increased, the length of sittings has increased and, surprising as it may seem, the insecurity of tenure of office has really increased because people are changing their minds to a far greater degree today as to which candidate they will vote for or which political party they will vote for than ever before.

As the Prime Minister (Mr. Trudeau) stated, to run for office takes considerable moral courage. There is no question in my mind that this statement was very correct. But I still go back to the fact that it is a matter of timing. I think it is regrettable that the government should have decided to propose such a large pay raise at a time when the economic situation in Canada is not good, when many people are unemployed. Certainly many people are working and enjoying a fair standard of living in a high-cost economy, the same economy as that in which Members of Parliament must live. I expect, though, that Members of Parliament meet many expenses which would be hard to justify for tax purposes, but all the same there has been money allowed tax-free to cover those expenses.

Many changes could be made with regard to the working conditions of Members of Parliament which would not create a great deal of expense. To my mind, the telephone arrangements for Members of Parliament are very poor. When one is at home in the riding, a member cannot telephone Ottawa without going about it in what always has appeared to me to be an underhanded manner. He phones his office with some kind of signal, the secretary calls him back and he then talks at government expense rather than his own. This, to me, is wrong. If a member has free service from Ottawa he should have free telephone service throughout his riding. This would be particularly advantageous in creating the same operating expenses for rural members as for city members. A city member can operate on the basis of a monthly charge for his telephone; it costs him very little more because he can speak to every one of his constituents in the city without incurring long distance charges. A member representing a rural riding finds that most of his constituents can only be reached by long-distance telephone calls; he does not enjoy the same conditions as his counterpart in the city does. He has to pay for them. Some changes along these lines would have been better brought in at this time, rather than the method the government has chosen to assist Members of Parliament in serving their constituents. I will follow the discussion in committee on this piece of legislation with continuing interest.

Mr. Paul St. Pierre (Coast Chilcotin): It took quite a bit of political courage to bring in this legislation, but it does not take a great deal of political courage to speak against it because it is always all too easy to be on the side of the angels. I hope what I am going to say today I can say briefly and quickly. I shall not cast any reflection on other members of the House for the way they, personally, grappled with this problem, as I am presently grappling with it and have been for a considerable time.

I am afraid that this Parliament and Parliaments before it have failed abysmally in dealing with this question of how members' salaries, allowances and services should be adjusted. It is a degrading process for us that we must be placed in a position of deciding our own levels of salaries and our own levels of services.

I think we have also failed badly in explaining to the Canadian people that the Parliament of today is no longer a comfortable club to which the country squires used to retire for conversation in the season between the fall harvest and the spring planting. Parliament now sits 10 or 11 months very frequently and has precious little holiday in the remainder. There may be some legislatures where the old view of the country squires' parliament persists. Without calling them country squires, I should point out that in my own Province of British Columbia the legislature convenes for only 9 or 10 weeks in the winter months. But our time is long. We are engaged in a fulltime occupation here and I think we have failed individually and collectively to get that message across to the Canadian people.

An hon. Member: The press has failed.

Mr. St. Pierre: My hon. friend says the press has failed and I would agree with him.

In my observation, conscientious parliamentarians here work atrocious hours under considerable stress much of the time and with shockingly bad facilities. In my own rather short career I have not encountered anywhere else an aggregation of men who, by and large, had any higher ideals or ideas or personal dedication to their work. As for some of the prosperous publicists of the radio and some other communications media who are now delighting themselves by blackguarding this institution and the people who serve in it, I have nothing for them but contempt.

Some hon. Members: Hear, hear!

• (12:20 p.m.)

Mr. St. Pierre: They can take their money and sleep with it in their beds at night. I do not know whether I have accomplished much here. Sometimes I think I have accomplished a little, at other times I do not. But I do know the effort that I put out and my conscience will let me sleep. I look around this House and everywhere I see members who I know put out great effort and great dedication.

To the extent that this bill improves our facilities and relieves us of some of our expenses, I strongly support it. I think the increase in the tax free allowance is justified; I shall take it and use it gladly. Like other hon. members of the House I have learned that to be in Parliament can be a costly business. Like many others, I have had to dip

into my savings in order to operate here. I am not a member of any establishment and I am not a country squire. I look upon this place as a place to work.

If I consider expense allowances justified, what do I think about our salary? I do not believe that a salary increase is proper at this time. It may be justified but it is not proper. When this Parliament accepts a salary increase of 50 per cent, or 6 per cent a year since 1963, whichever way you want to put it, we set an example to the country, whether we like it or not. I say that under the present circumstances of high unemployment we are setting a bad example at this time.

I suppose I am square enough to believe that Parliament should set an example. In my own case—and I shall refer only to my own position—I was elected in 1968. Although I may not have known what my expenses would be, I did know what my salary would be. In my opinion the 29th Parliament should be the occasion when a salary increase becomes effective.

I want to reflect very briefly on members who have served in this House for a long time. Those of us who are in the chamber now know of many cases of members who have lost contact with the work they did before they came to Parliament. They have put in their time here and have watched their bank overdraft grow. Eventually they will be defeated because the rate of turnover here is very high, and I am just wondering what they will go back to. They have, sir, both my sympathy and my high respect.

I do not like to see men such as these coming under attack from university professors and other self-appointed guardians of public morals, many of whom have themselves taken far greater salary increases than this one during the past eight years and have a security of tenure which is utterly unknown to anyone who serves in this chamber.

As I said earlier, it is easy in a sense to speak against the salary increase at this time. But there is a feature of this debate that none of us can overlook. I suppose it is best summed up in the story about the old drunk who had been on quite a bender and who finally decided he would have to return to his wife, who did not approve of his drinking. He had a friend who was a doctor, and he went first to the doctor and made some private arrangements with him. Then, he went home and went to bed.

A few minutes later his wife came in and said to him: "The doctor has called and you have to take some medicine". He asked what the medicine was, and his wife replied: "I have to give you half a tumbler of whisky". So he said: "No, the filthy stuff; I will have nothing to do with it". "John, you must". "No", he said, "take it away". Eventually, he agreed and took the whisky. Then, he said: "My dear, I think I will try and compose myself for a little sleep, but by the way did the doctor say anything about further treatment?". His wife replied: "Yes, John; I am to give you every two hours two ounces of whisky until the bottle is empty". So he said: "Well, my dear, when you come in I may be sleeping. If I am sleeping, wake me, and if I won't take it, make me"!

I am not opposed to the principle of this bill, but as I have said I consider it wrong for Canada that it should come at this time of severe unemployment. Like other members, I have had to face the question of how I shall vote on this measure. It has not been a very pleasant decision, and although this debate has been conducted without rancour, it has not been a pleasant debate for us.

There are many actions that could be taken, Mr. Speaker. One is to conveniently absent oneself from the House at this time on other business. Another is to abstain from voting. But I am quite sure that the people in my constituency of Coast Chilcotin did not send me here to have me sit in my seat when votes are being taken. I have notified my colleagues in the Liberal party of my intention to vote against this measure. In recent days, however, there has been much honest criticism in the press. But as I have watched some of the forms of attack made on this House by publicists, I have found myself in the position where, if I were to vote against this measure, I would appear to be agreeing with the stronger and harsher criticisms of the members of this House. I am, therefore, very regretfully going to have to vote for the bill.

In closing, Sir, I must return to the position that we all know, namely that it is easy to vote against a bill knowing that it is going to pass. Am I in any different situation in that, even though I am voting for the bill, I have taken the time of the House to say that I think it is improper to bring in the bill at this time, knowing that it is going to pass? The answer, I feel, is no.

I do not think that when I tell the House that, in my opinion, this salary increase should not have been effective until the 29th Parliament, I have the right to take it in the 28th Parliament. Therefore I shall make arrangements, which will be a matter of record, whereby this salary increase does not flow to me during the life of this Parliament. I thank hon. members for their attention.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, like others who have spoken, I wish to pay my respects to the sincerity and earnestness of all members of this House as they participate in this important debate. In particular, I wish to pay my respects to those who will differ with me and may vote in a direction opposite to the stand that I shall take when the vote on second reading is called. I trust it is clear and no surprise that when that vote is called I shall vote against the bill, because I do not think that this piece of legislation should be before us, and I feel very strongly that it should not be passed at this time.

• (12:30 p.m.)

In the first speech the Prime Minister (Mr. Trudeau) made in this House after he had become the Prime Minister and had won the 1968 election he had quite bit to say about poverty. I am referring to his speech during the debate on the address on reply to the Speech from the Throne in the fall of 1968. The right hon. Prime Minister spoke in that debate on September 16, of that year. Having told us that the most intractable problem facing us was the continuing poverty of far too many of our citizens, and having told us that poverty could not wait, he also said something in one paragraph at page

68 of *Hansard* for the date I have indicated which was very true. These were his words:

> I have often mentioned the responsibility of the more affluent segments of our society toward the less privileged ones. The majority of us have already satisfied our right to a minimum standard of satisfactory living. It is those who have not who need government help.

On another occasion, on February 14, 1969, as recorded in *Hansard* at page 5524, he said it is useless to solve certain other problems unless we are prepared to do something about, and I quote his exact words: " the intolerable conditions of poverty in which too many Canadians now live".

I confess that when I heard those words from the Prime Minister in the first session after he became the Prime Minister of this country, I dared to believe, in spite of things I had said about him in the election campaign, that maybe he was interested in the problem of poverty in Canada and maybe he was prepared to do something about it. I liked in particular his assertion that the majority of us have already satisfied our right to a minimum standard of satisfactory living and it is those who have not who need government help. It has not worked out that way, and it is in light of that position, and any one of us can spell it out with examples, that I object very strongly to the government asking us to improve our own position when we have done so little to combat poverty or the trials of the poor in this country.

I know one of the answers to that argument is that if we did not get this pay raise, and if the full amount of money it will cost to provide it were divided among the poor it would be only a few cents per person or per family, therefore it is argued that there is no point in doing it. I know the contention that if we are free from want and worry we can do a better job for those who are in need. Things are not working that way and I want to say, speaking for myself as all of us are doing in this debate, that I think the thing which is most wrong in our society and in our world is the ever-widening gap between the poor and the affluent. This is the thing that is wrong in our world, even with all we have done by way of assistance to developing countries. The gap in the standard of living between two-thirds of the world's population and the other one-third is wider than it ever was. If this sort of thing goes on, our world could fall apart.

I say the same thing about Canadian society. We are not going to have a bright and hopeful future if we continue to increase the amount of money the poor have by only a little and increase the amount that those in the upper bracket have by ever so much more. In my view this concept of doing things on a percentage basis is basically wrong. What we have to do if we are going to solve the problem of poverty is to challenge the power structure in this country and challenge the government and society as a whole on the idea that it is proper to have an economic hierarchy in which every time there is any little improvement at the bottom there will be a large improvement at the top.

I assert that the time has come—and maybe that time has been coming over and over again in the past, but it is the present we have to concern ourselves about—for some of those who enjoy a higher standard of living than is the average in this country to say this has gone far enough. It is time to cut down this practice of the percentage principle and do something to level things up by raising those who are at the bottom of the economic scale rather than doing things that keep widening the gap.

That is what is wrong with this bill to increase our total take-home pay but which pays no attention to the basic problem facing this country, namely that of solving the problem of poverty. The Prime Minister talked in his first session in that capacity as though he was concerned about this. For a while there was even talk about a war on poverty but that soon got lost. We have seen an interesting development in another place that we are not supposed to talk about around here where a committee got into trouble because some of the people working for that committee wanted to attack the power structure and attack poverty itself. The fact is that is what we have to do.

I submit that by going along with the idea that those at the top should continue to get increases of as high a percentage as those at the bottom get, or even higher, we are widening the gap. This means that we are doing a disservice not only to the poor but a disservice to society as a whole. At some point we have to begin to show that our main objective and purpose is in the direction of equity; that our main purpose and objective must be a levelling upwards for those who are at the bottom and, for that reason, we who are at or near the top must hold the line where we are. That is what we ought to do. This is my basic philosophical approach to this whole problem and that is why I think we should let our position stay as it is. We should give a lead and some sense of direction to the country as a whole by doing just this, and that means saying no to this bill.

The last speaker pointed out that if we do not hold the line but rather vote for a 50 per cent increase in our salaries or a 44 per cent in our total take-home pay that certainly will be taken by all sorts of elements in our society as a lead. I suggest that in a year or two inflation will be out of hand again, and that the gap which concerns me will get wider. We have to start narrowing that gap. It is not up to someone else. It is up to us.

It is easy to say the other fellow should make the first move, but we are the leaders of the country. We are the people who represent the 20-odd million Canadians in Canada and we are here to give direction to the kind of society we should have. I think we can give that lead by saying no for ourselves to any further improvement in our take-home pay until something really substantial has been done to improve the position of all those who are at the lower end of the scale.

• (12:40 p.m.)

I could, of course, cite examples which have been cited a number of times. There has been that very slight increase in the basic old age pension bringing it up to $80 a month and increases in veterans pensions and allowances which were far less than should have been made. In addition, there is the heavy pressure that is being put

on people seeking wage increases to hold down their demands. It is interesting that some of these pressures come from people like Dr. John Young, Chairman of the Prices and Incomes Commission, who managed to achieve quite a boost in his income by taking on that chairmanship. And, of course, we had this same admonition a few days ago by the Governor of the Bank of Canada whose own salary was increased 50 per cent not very long ago, putting it into the upper atmosphere. If these strictures are proclaimed and if people are told they must settle, as pensioners, for an increase of 42 cents a month, and as workers for wage increases of 5 per cent and 6 per cent, we do not have in my view a moral right to give ourselves increases of the kind proposed in this bill.

As I say I wanted to mention those few precise examples, but is not so much those examples by themselves that hit me. It is this realization that in our society as a whole the gap is getting ever wider and wider, and there is no use talking about national unity in terms of provincial-federal co-operation or in terms of co-operation along linguistic or cultural liines if we have a society divided in economic terms between the ultra poor and the ultra rich. The figures show that perhaps 25 per cent of our population or 4 million to 5 million Canadians are at or below the poverty level. The things we have done may have improved the dollar position of some of those people down at that level; yes, pensioners today get more than they did 20 years ago and workers get more than they did 20 years ago, but costs have gone up and with those at the top getting more the relative position is even more disturbing. It is worse than the kind of society where everybody is poor or where nobody is away up. However, when there are a few who are away up it is more embarrassing to be poor. It is what we are doing to society by countenancing those who are at the top seeking increases in their income which I think is wrong. It is that kind of lead we should not be giving.

I should like to see others take this kind of position. There are a few around now. Jack McClelland, of McClelland and Stewart, the other night on radio or television, said that money is not everything. Dr. McClure, the former moderator of the United Church, said that what he thinks is wrong with our society is that those in the upper brackets are getting too much and that he is prepared to settle for a something less. I think this is the kind of lead somebody must give. I think those who should give it are the leaders of this country represented here in the House of Commons. Speaking for myself, I think that kind of lead should be given by all of us but, if not, I hope there are a number of us who are prepared, as I am, to see that the necessary steps are taken so that in our own position as members we do not contribute to a widening of the gap. I intend to take such steps.

As has been pointed out, Mr. Speaker, it is possible to make a case for increased pay and allowances for Members of Parliament. I do not agree with the case, but it can be made. We listened with a great deal of attention last night to the speech made by the hon. member for Vancouver Quadra (Mr. Deachman). He gave us quite a catalogue of the things on which a member has to spend money, or the things on which he would like to spend money, and by the time he got through that catalogue of expenditures of course not only was the expense allowance all gone but so was the salary.

This is an exercise any of us could go through. Even I could add a few things to the list that he gave us last night. What he said is perfectly true; that is, it is a very difficult job for a Member of Parliament to balance his budget on the present $18,000 a year. But, Mr. Speaker, most Canadians have difficulty in balancing their budgets. Most organizations have difficulty in balancing their budgets. Most Canadians, however, do not have the right to solve the problem of too little income and too much outgo by just voting themselves more income. It is that which makes what we are doing a practice which is offensive and which I believe must be reconsidered. Yes, I could make the argument made by the hon. member for Vancouver Quadra that balancing our budget is difficult, but there still is the old fashioned practice of trying to balance a budget by cutting expenditure, by sharpening pencils and so on and not just using our own power as legislators to vote enough money to cover all the expenditures with which we are faced or which we would like to be able to incur. Most Canadians have difficulty in the economic sphere. I do not think it hurts us to have difficulty as well. We are supposed to represent the people of Canada and we are supposed to know something about their experience. Let us keep ourselves in their world of experience by continuing to cope with some of the same problems with which they have to cope.

Last night the hon. member for Vancouver Quadra also indulged in some figures and percentages from tables in a book he had, all of which was very enjoyable. I suppose one could call it the numbers game. We could all do it. I might do a bit of it myself if for no other reason than to show how ridiculous it is for the hon. member for Vancouver Quadra and others to say we are really giving ourselves a lot less than would appear at first glance. When we are increasing our salary by 50 per cent and our expense allowance by 33⅓ per cent which averages out to 44.4 per cent it sounds scandalous and therefore members try to find a way to say it is not that much. The hon. member for Vancouver Quadra went so far as to say that if we were not to increase our pay and allowances now as provided by this bill and were to leave it at the present total, then compared with 1954 when the pay was fixed at a total of $10,000, $8,000 in indemnity and $2,000 in expenses, we would have gone up per year by only 2½ per cent.

That is a nice argument, if one can make it stick. One or two of my colleagues behind me, when that calculation was being made, spoke to me in friendly terms and said I must have been crazy to stay here so long, our income having gone up by only 2½ per cent per year. This let me to do a little arithmetic of my own. You see, I first came here in 1942, 29 years ago. At that time the total take home pay was $4,000 a year. It was the same in 1940 when the right hon. member for Prince Albert (Mr. Diefenbaker) and the hon. member for Ottawa Centre (Mr. McIlraith) first came here.

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Mr. Woolliams: Mr. Speaker, may I ask a question, not being facetious. Was it not $4,000 a session. You may have had only one session. Was it not $4,000 a session?

Mr. Knowles (Winnipeg North Centre): It was $4,000 a session.

Mr. Woolliams: Ah!

Mr. Knowles (Winnipeg North Centre): Just a minute—

An hon. Member: Try to be honest, Stanley!

• (12:50 p.m.)

Mr. Deputy Speaker: Order, please. I know all hon. members want to hear the hon. member's speech, and I suggest that if there are questions they should be directed to the Chair.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, remarks like the last one may not be on the record since the hon. member did not make it from his own seat.

Mr. Woolliams: Mr. Speaker, I rise on a point of order. I want to dissociate myself from that remark. I was asking the hon. member for information, I was not trying to be facetious.

Mr. Knowles (Winnipeg North Centre): The hon. member for Calgary North (Mr. Woolliams) asked whether that was not the rate per session, and it was; but it was not until 1949 and 1951 that there were a couple of occasions of two sessions per year. That did not happen in the early 1940s. At that time our total take home pay was $4,000 per year, there is no question about that. That is an actual fact, and it is stated in answer to the word "honest" that was thrown at me a moment ago.

Now, Sir, 29 years later, or 31 years later for the right hon. member for Prince Albert (Mr. Diefenbaker) and the hon. member for Ottawa Centre (Mr. McIlraith), our total take home pay is $18,000 a year, and that is an increase of 350 per cent. If we are going to throw these percentages around, let us really be honest and let us tell the whole story. It is an increase of 350 per cent over a period of 29 years, which is about 12 per cent a year. If the present bill goes through and the total take home pay becomes $26,000 a year, for those of us who were here in the early 1940s it will be a total increase of 550 per cent or between 19 and 20 per cent per year. You can shoot that down in various ways; you can do all kinds of things with figures, but I submit that to try to tone down this present increase as thought it were only 2½ per cent a year is not really treating the matter in a factual way. It is in fact a 50 per cent increase in salary and an over-all increase of 44.4 per cent.

I would also point out that in those early years not only was $4,000 the total take home pay but there were no free airline flights. We had our railway passes and we could go back and forth as we wished to, but we got our berth and meals on the train for a trip from Ottawa to the constituency only three times a year, not 52 round trip air flights.

Mr. Comeau: Surely, we need that.

[Mr. Knowles (Winnipeg North Centre).]

Mr. Knowles (Winnipeg North Centre): Of course we do, I am not arguing against that, but I am saying to my hon. friend that the improvement in the position of Members of Parliament over the last three decades has been tremendous, so let us not try to say that we are poor, that we do not have the facilities, that we are severely handicapped. The facilities that are made available to us today are much greater than they were, and these facilities actually add to our standard of living.

The argument is being made that we are not getting very much of an increase and that we are still hard-pressed. I have gone back and read some of the debates in the years when the pay increases were introduced. This is the fourth one that I have been through, and the same argument was always made. Members were having a tough time, and we have to pay higher salaries to attract better men. Yet, back in those early days when we were so poor that we had to raise the pay to attract better men, we did have people like C. D. Howe, James Ilsley, Mackenzie King, Gordon Graydon, R. B. Hanson, John Diefenbaker, Howard Green, M. J. Coldwell, and so on. Good and able people somehow seem to come to this place no matter what the rate of pay is.

Now, Sir, I am not arguing that we should go back to the days when there was no pay for Members of Parliament. I agree with the proposition that the salary of Members of Parliament should be such that they can do their job with at least a restricted amount of worry, but I would not restrict that worry to the point where they do not know what the life of the ordinary Canadian is. I agree that there has to be a reasonable level of pay, but I suggest that in today's circumstances, with pensions as low as they are, with wages being held down, and with the high level of unemployment facing this country, the present total of $18,000 is a reasonable level. I certainly agree with the last two speakers that if any change is to be proposed it should not apply until the next Parliament, the one that meets after the next general election.

I see it is almost one o'clock and I am just about through. One of the arguments that is frequently used for increased pay for Members of Parliament is to compare the job we do with that of civil or public servants. Let us agree that there are deputy ministers and people much lower in the public service who now get more pay than we do, and of course comparisons are also made with persons in private business, and so on. Perhaps I am alone in this, perhaps it is a queer notion I have about it, but we are not people who have been hired to do a technical job for which certain training and certain qualifications are required.

We have asked to come here as representatives of the people, and I do not think that our salary level should be decided on the basis of people who dress as we do and occupy offices and work as we do. It should be decided on the basis of what we need to do a job to represent the Canadian people. It is my judgment, whether or not hon. members accept it, that something in the order of what we are now getting is a reasonable amount. I say quite candidly that I would not have objected and would not object if there were a modest increase, but it seems to me that an increase of 50 per cent in the salary and 33⅓

per cent in the expense allowance does not fit the word "modest".

One of the main reasons for my opposing this bill is that I think that the increase in it is too great. I am hurrying on so that I can conclude at one o'clock rather than carry on after the lunch hour. It is almost a case of putting the rest of my remarks in terms of headings. May I say that another aspect of this legislation which I think is totally wrong is the continuation of a portion of our pay on a tax free basis. It is a special privilege and it should end. Beaupré was very much against this. It is what is criticized perhaps most by the Canadian people, and they have the right to do so.

I think that if the government was not prepared to recommend that the tax free $6,000 be incorporated into the total pay, at least it should not have made it worse by raising the $6,000 to $8,000. I think it would have been proper, straightforward and honest if the government had said that the present $12,000 salary and the $6,000 expense allowance is the equivalent of about $21,000 or $22,000 if it were all taxable, and should have said, this is where we will start, we will give members $21,000 or $22,000 as a base and perhaps add $1,000 or $2,000 to that as an increase, but I insist that all of it should be taxable.

I was here when Mr. King brought in his provision in 1945. We knew then why he did it. He felt that members should have an increase, but he wanted to do it in a way that would give them as much as possible without sounding that way. It was his concoction to have $2,000 tax free in our hands but taxable in the hands of Senators. However, I think that was wrong and it should be changed. Some day it will have to be changed, but the longer we put it over the larger the increase will have to be to achieve this, so the time to end this tax free special privilege is now.

I see it is one o'clock. May I say in a sentence that the other point about this legislation that I think is wrong and that is offensive to the Canadian people is to make it retroactive to last October, with the result that we will get half a year's increase in one cheque. Let us think of how working people have to struggle and wait to get increases and how little retroactivity they get, how much they wish they could have a decent amount of retroactivity, while all we have to do is to vote for a measure like this and we get it. It falls into our lap.

Perhaps I have strayed a little from my desire to speak in a low key. If that is the case I have done so because I feel very strongly about this issue, and I shall govern myself accordingly if this bill passes. I repeat my respect for those who disagree with me but I plead that this measure is wrong because the increase is far too much, because of the tax free element, and because of the retroactive provision. I plead also that what we are doing is wrong because we are giving society the wrong lead. Instead of those of us who are at or near the top in improving our own position, some of us, and I include myself, should be saying it is time for us to hold the line until those further down catch up.

Mr. Deputy Speaker: Order, please. It being after one o'clock, I do leave the chair.

At one o'clock the House took recess.

Senate and House of Commons Act

AFTER RECESS

The House resumed at 2 p.m.

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, on rising to speak in this debate on a bill affecting very directly the individual members of the House, and particularly where it affects them the most, that is, the pocketbook, a member has to proceed with care in what he says so that by misconstruction or misinterpretation he does not reflect in any way on the views seriously and frankly held by other members.

Before lunch I listened with a great deal of interest to the hon. member for Coast Chilcotin (Mr. St. Pierre). He started his remarks by saying it was so easy to oppose this measure because then you were on the side of the angels. Mr. Speaker, without in any way questioning his divine guidance or relationship with spiritual bodies, I find it most difficult to speak, because closer than the angels are fellow colleagues in the House who feel very seriously about this matter. I hope therefore my brief remarks will not in any way be misinterpreted by them.

Mr. Baldwin: Besides the angels don't forget those in the other place.

Mr. Nowlan: The hon. member for Peace River (Mr. Baldwin) refers to the other place. Well, I have something to say about the other place and it is not angelic. I intent to be brief, Mr. Speaker, because members have long awaited a salary review and any prolonged effort by any member could by inadvertence cut sharply against a fellow colleague. But while I intend to be brief, and I hope I am frank, I intent to be relevant and realistic.

Very simply put, Mr. Speaker, I am in favour of the principle of Bill C-242 which amends various acts and gives an increase in salaries, and provides an adjustment in expense allowances. But I am against the size of the increase. To my way of thinking, a 50 per cent salary increase at this time is indefensible. Because of the dire need of so many members, I give full credit to the government for having the courage to face this problem. I am afraid, however, that in trying to resolve the problem with this measure it merely postpones tackling the perennial problem that we have had from time immemorial of trying to find a device whereby we can regularly review both our salaries and expenses.

I am against the salary increase because it is 50 per cent of what I am earning now even though, as with all Canadians, any salary increase is immediately bitten into by taxes. I am against the salary increase because the same increase is provided for members of the other place. I do not have any angelical feelings about the other place. I do not believe that being a member of the other place is a full-time occupation, and I very definitely believe that being a member of the House of Commons is a full-time occupation. Because I believe this, I can see no justification whatsoever for providing an increase in salary for members of the other place.

In a general way, Mr. Speaker, I believe that the very credibility and relevance of this institution are involved in this measure. I do not intend to prolong the agony of

those who are listening to my words, because I think there is a general disposition to have the measure move on to committee where there can be a more detailed study made of all the points that have been raised by various members. I do not intend to wallow in any swamp of double talk or preach any platitudes from the plateau of purity. I think that this forum is the mirror of Canada's mosaic. I think this forum personifies the Canadian personality. It is the closest thing we have to a vehicle which represents all shapes and sizes of opinion in this country.

• (2:10 p.m.)

That being so, hon. members are duty bound—no matter how painful it may be to any who are in debt, and there are not many members here who do not have overdrafts in the bank, myself included—to be realistic. They ought to know that although the public is never well disposed to salary increases, salary increases of this substantial size will be looked on with disfavour and will bring on a delayed action, regardless of what editorials say. An increase of this size will bring about an alienation and lack of respect for this institution which I do not think this institution can afford. In this day of dissent where our youth are quizzical, to say the least, and perhaps even critical, we must remember that if we pass this measure we will not enhance the stature of this institution.

I do not think any hon. member pretends to have a monopoly on conscience. Certainly, no one member and no one party has a monopoly on conscience here. I believe that this institution represents the collective conscience of Canadians and that is why we must consider carefully how we move in adjusting salaries and expense allowances. In my opinion by trying to move the way we are, we are ignoring the realities of life. I am sure that if the doctors, lawyers, dentists, unions, teachers, secretaries or any other group tried in one fell swoop to increase their salary position by 50 per cent, this chamber would order an investigation. The Prices and Incomes Commission would undoubtedly move, too, even if the salary scale of the particular group in question were lower than that of other groups. The fact this matter falls too close to home is no reason for us to ignore reaction in the country. I believe that the relevance and credibility of this institution is at stake.

The question of the credibility of this institution has probably bothered me more than any other single thing. It almost seems that the more controversial the issue or the more sensitive the subject, the more mute and mild does the chamber become. It seems that the old mores and taboos do not apply anymore. I think that the public, which is more in tune with what we are doing than ever before through the medium of television, is in a better position to assess the performances of members than ever before. Paradoxically, while the public is more in tune, I believe it is "turned off" when we play the charades of yesterday. I, personally, believe that hon. members individually and parties collectively must start taking stands on these matters, sometimes for the wrong reason, rather than adopting the sterility of no stand at all. When we pass a bill such as this we shall compromise ourselves on any future stand we may take respecting economic conditions in this country, and for that reason I believe the credibility of this institution is at stake. How, after passing a bill like this, can hon. members talk about discipline, controls if necessary, and the necessity of battling the fires of inflation in future? If I were to talk that way, I am afraid I might be laughed off the platform.

I feel that a salary adjustment is necessary. I feel that an increase in the expense allowance is necessary. Nevertheless, when I came here in 1968 I knew what my salary was to be. I cannot accept the reasoning to the effect that if we get this increase it will represent an annual increment of 6 per cent from 1963. Let me remind hon. members that there have been two elections since 1963. The problem with the expense allowance and the salary is this: we are not looking at any regular procedure. The sums involved are not tied to any cost of living allowance or to ministerial salaries, nor are they determined by any tribunal which might review this matter. Personally, I do not know that I want members' salaries tied to the salaries of deputy ministers, important though they are, or to a level very much below theirs. The bill seeks to increase salaries by 50 per cent merely because we have postponed, time after time, the perennial problem of members' salary increases. That problem has been in a sensitive area. When I was elected here I knew full well what my salary was to be, so I do not think it is honest to increase it by 50 per cent in mid-term. I do not think I can defend that. Hon. members may say that it is easy for me to say these things and that I am on the side of the angels. I have felt it my duty to make perfectly clear what I feel.

Some members have suggested that we ought to remedy poverty before we increase our salaries. If we are first to rid this land of poverty, then I suggest that every member in this institution will be part of the dust of the land before there is any adjustment. I am glad that this is a matter for individuals to decide. It should not be, and I hope will not become, a party matter. Because this is a matter for individuals, I have debated with myself whether I ought to move an amendment to the bill. My position, briefly, is this: I have no objection to the expense allowance being increased. My personal expenses in my constituency are far greater than $8,000. Yet I question the substantial size of the increase at this time. In principle, I agree that an adjustment is necessary and for that reason will vote for the measure on second reading. The motion before us is to refer this bill to committee. However, unless there is an amendment in the committee which will postpone the implementation of the salary increase until after the next election—and I may try to move such an amendment in committee—I will be prepared to vote against the measure on third reading.

Any member who dares to involve himself in this debate can be accused of many things. My position is perfectly clear. To me, the only thing more odious than preaching a double standard is accepting a double standard. I do not believe that this substantial salary increase is justified at this time. Some say that if the bill is passed

without the sort of amendment I have suggested it will become an election issue in the next election. I do not see it that way, because everyone will know what is involved and the law can be amended. In any event, I suggest that the increase should be postponed until after the next election. If the increase does not become effective until after the next election, I do not see how it will become an issue during the campaign. The Prime Minister (Mr. Trudeau) quite properly pointed out when he opened the subject that this might become a danger if we delay the debate. If this measure is passed it will become the law of the land, and then all the candidates will know just what they are going to receive by way of salary.

• (2:20 p.m.)

I take exception to the substantial increase for the reasons I have stated. Many more could be stated. In order to make my position clear, if this substantial increase is granted, I will take steps to have no pecuniary interest in the salary part of this bill. I will return it to the Treasury, if that is mechanically possible, donate it to charity or make a gift to the Crown. I feel that any member who has the temerity to speak against this measure must make that absolutely clear.

Some hon. Members: Hear, hear!

Mr. Nowlan: Members are only fooling themselves if they protest, argue and take exception without following that caveat. As I said earlier, the only thing more odious than preaching the double standard is to accept it. I hope that all members will govern themselves accordingly, and that this matter will be referred to a committee after others have had a chance to express their opinions.

If I decide to run again, I hope the election will be very soon so that I will not divest myself of any interest in this increase for too long. I will stand on any platform anywhere and defend the principle of this bill. There has to be an adjustment. However, because of the rate of unemployment at this time, as well as all the reasons that have been mentioned, we cannot jump our salary by 50 per cent, regardless of the need.

I think that more should be done with regard to expenses. I will not go into details. I would love to have an expense allowance and be able to account to somebody, but that is getting into the details. Whether tax free or taxable, $8,000 is not enough. As far as the salary is concerned, I cannot see any member speaking and voting against the bill, then accepting the fruits of it.

Mr. Tom H. Goode (Burnaby-Richmond-Delta): Mr. Speaker, I compliment the hon. member for Annapolis Valley (Mr. Nowlan) on the point he made with regard to the double standard. I am pleased to see that the front benches of the New Democratic Party are not empty because I wish to direct a statement to them later in my speech.

Many months ago when the matter of increases in members' salaries was first raised, I made a commitment that I would not vote in favour of any salary increase that would come into effect during the life of this Parliament. I intend to honour that commitment. It was made because, in all conscience, I feel I cannot vote to raise my salary without first seeking a renewed mandate.

This decision was obviously not an easy one to make inasmuch as I agree with the argument put yesterday that the raise is deserved. In fact, I believe it is not overly generous at all, especially in view of the higher recommendation made by the Beaupré commission. However, I feel that some alternate means, clearly free of Parliamentary control, must be found to adjust the rates of remuneration.

I have the greatest respect for those hon. members on both sides of the House who intend to vote for this measure. They are doing what they believe to be right and I know that they will respect my position as one that has been arrived at only after a lengthy period of soul-searching. I emphasize again that it is a personal decision and in no way reflects on any other member of this House.

I now come to the question of the increased expense allowance. There can be no doubt that Members of Parliament have a great range of expenses that are unknown to persons in other walks of life. It is also true that the rising expectations of our constituents for various services to be performed has meant a rapidly escalating cost factor which we must meet. If this bill passes, I will feel compelled, on behalf of my people, to put the larger expense allowance to use for their benefit. However, Mr. Speaker, I repeat my decision that I cannot accept a personal salary increase and I am happy to join the hon. members for Surrey-White Rock (Mr. Mather) and Coast Chilcotin (Mr. St. Pierre) in announcing that I intend to either turn back the net increase or donate it to some worthy cause.

I now issue a challenge to the front benches of the New Democratic Party. They have opposed this bill most eloquently. They have condemned this increase as being too great. They have stated that there are others with greater needs. On the other hand, the member for York South (Mr. Lewis) has declared to the press that he plans to accept the raise if the bill passes. Mr. Speaker, I know, this Parliament knows, the people of Canada and the leader of the New Democratic Party know that the bill will pass this House of Commons. I, personally, cannot be hypocritical. In my opinion, if we oppose the increase then we cannot, indeed we must not, use the funds for personal gain. I demand that the member for York South prove to this House, and to the people of this country, that his opposition was not a sham but indeed that he was serious in his declarations to the House; that his protests were founded in something deeper than an attempt to secure television coverage and a pat on the back from the editorial writers of this country. I ask him to prove that he is sincere. I challenge him to join with the members for Surrey-White Rock and Coast Chilcotin and myself in dedicating this raise to the less fortunate in Canada.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a question of privilege. The hon. member who just spoke made a general reference to the front benches of this party. I am pretty sure that what he said was in

the plural. The leader of this party, the hon. member for York South (Mr. Lewis), can and will speak for himself. I trust the hon. member heard me make a declaration this morning similar to that made by others, namely that I will see to it that so far as I am concerned there will be no personal gain from this increase.

Mr. Goode: Mr. Speaker—

Mr. Speaker: If the hon. member is speaking to the question of privilege—

Mr. Goode: On a point of order.

Mr. Speaker: I suggest there is no question of privilege. The hon. member for Winnipeg North Centre (Mr. Knowles) has clarified the point. I do not think it constitutes a question of privilege. Perhaps at this point I should recognize the next speaker.

Mr. Goode: On a point of order, Mr. Speaker; I must apologize to the hon. member for Winnipeg North Centre. I listened to his speech today, but I did not get that impression from it. Perhaps the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas) would like to make a similar declaration.

Mr. Douglas: On the point of order, Mr. Speaker. If I want to make a declaration, I will make it in the course of the debate, not in answer to a half-baked question.

Mr. Goode: On a point of order, Mr. Speaker.

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

• (2:30 p.m.)

Mr. John Gilbert (Broadview): Mr. Speaker, I rise to speak in support of the legislation.

Some hon. Members: Hear, hear!

Mr. Gilbert: Thus, I have no difficulty in answering the question posed earlier by the hon. member for Burnaby-Richmond (Mr. Goode). I was impressed by the tone which was set for the debate by the President of the Privy Council (Mr. MacEachen) yesterday when he attempted to deal with a very difficult subject in an objective way. I certainly agree with his assessment of the problem and the solution which is proposed. I also admire the courage of others who have spoken in the debate, either in favour of the proposed increases or against them. I think it is fair to say that the high tone set forth by the President of the Privy Council has been carried on throughout the discussion.

This question of an increase in salary and expense allowance has been a gnawing one for hon. members, more especially for me since I entered the House in 1965. I guess this is because of the increase in the cost of living, the heavy responsibilities of a Member of Parliament and the tremendous amount of time a member has to spend in the performance of his duties. Let me say at once that I respect the views of my hon. friends in this party, even though I do not agree with some of them. I am sure they also respect my views on this matter. There is a diversity of thinking within our party, probably due to differences in age, professional skills, philosophical approaches and so on. There is one thing I can say—and I think this is in line with the attitude taken by some of my hon. friends who have already spoken: we are all in agreement with the principle that some increase is justifiable. It may be that the main criticism is related to the size of the increase proposed.

I ask myself, and I ask members generally: Just what is a fair salary for the performance of our duties? I am sure we do not wish to make this into a political matter. When I look at the salaries of some of the public officials, I see that deputy ministers receive between $40,000 and $42,000. I notice that judges of the Supreme Court make $35,000 and that judges of County Courts will be making $25,000 shortly. Salaries of high school principals range from $16,000 to $20,000. Administrative and staff positions command a salary range, certainly in the City of Toronto, upwards of $30,000, and I ask myself: why are we not criticizing the size of the salaries received by these public officials? If I turn to private industry and private life, I notice that lawyers, doctors, dentists and business executives, with experience of ten years or more, are in a salary range upwards of $30,000.

There has been much criticism with regard to the self-imposed nature of the increase which Members of Parliament are contemplating at this time. May I remind you, Mr. Speaker, that doctors, lawyers and many business executives use the same technique with regard to increases. They're not accountable to any price review board. When they want an increase they impose it, and we have seen this happen in the medical profession, in the legal profession and in the business area.

Since the salary ranges of officials in public and private life are of the order I have mentioned, I would ask: is not the responsibility of a Member of Parliament as great as, if not greater than, some of those in the categories to which I have referred? Is not the time we spend in performing our duties as long as the time spent by them in the performance of theirs, if not longer? Why is it considered morally acceptable for those in private industry to obtain increases but almost morally reprehensible for parliamentarians to do so? Members of Parliament come from all walks of life and perform services for all members of the community. The only reason we feel so hesitant to increase our salaries, as far as I can see, is that in the past there was a history of parsons, social workers and teachers performing services to the community in circumstances in which it was thought somewhat improper that the question of salary should be considered in respect of them. I think the same is true with regard to Parliaments in the past. If we were to make a list of the men who have come to Parliament in the last hundred years, we would find that most of them belonged to upper income groups and did not encounter the problems many of us face today. I might add that the parsons, the social workers and the schoolteachers have long upgraded their salaries and I, for one, am delighted to see this. I do not believe a person should suffer financially because he is making a contribution to the community.

It has been said that the increase should be thought of within the total framework of the social and economic life of the country. I myself, along with many others, feel very uneasy with regard to the poverty and unemployment which prevails. I am most uneasy about the housing shortage. If I were to receive an undertaking that most of the professional people in Canada would roll back their salary increases to bring salaries into line with the present salary of a Member of Parliament, I would be the first to agree we should tackle the situation in that way. If our incomes are not sufficient to maintain a family in decency and respectability, are we not closing the door to men of modest means? Surely Parliament should not be the preserve of the rich. We should be able to exercise independence an not be worried about fear or favour. I am particularly concerned about younger people. I think it is necessary to attract younger people to this institution where they may reflect the views of youth today. I do not want to set up any barriers for younger married men with children, many of whom will be attending university.

Having spent seven years as a Member of Parliament representing a working man's constituency, and being on call every weekend I go home, I ask myself: how much am I charging people in my constituency? Someone better versed in arithmetic than myself has worked out that I have 75,000 constituents, and if I divide that number into $18,000 it comes to less than 25 cents per person for the services I perform to the constituents in my riding. I am proud I am available to people in my riding. I cannot go home on weekends without being faced with constituents varying in number from six to 12 come to seek advice on problems concerning unemployment insurance, pensions, immigration and so on. I am sure that the constituents of my riding would think that at a mere cost of less than 25 cents this is good service for good representation.

• (2:40 p.m.)

I would be the first to recommend that our salary increases be referred to the Prices and Incomes Commission, but I have been told today that the chairman of that commission has approved of them. Had the salary increases been referred to the Prices and Incomes Commission, I think it may well have helped us from the standpoint of public acceptance. But they were not. Therefore, I would be prepared to accept any recommendation regarding a referral of the proposed increases to the commission for study.

I do not have to remind you, Mr. Speaker, that Mr. Beaupré recommended a $23,000 salary for the balance of this session and $25,000 for next session, with accountable expenses. I have no hesitation in saying that I agree with Mr. Beaupré and that I do not feel uneasy about accepting $18,000 when he recommended $23,000.

The second area of criticism relates to the increase of non-taxable allowances from $6,000 to $8,000. I agree with the President of the Privy Council that this affords a discretion to hon. members regarding how that money should be spent. May I tell you, Mr. Speaker, that my colleague, the hon. member for Greenwood (Mr. Brewin) operates a constituency clinic within his riding and performs a service for his constituents at great expense to himself.

Because I am a married man with a young family, one of whom is attending university, it is impossible for me out of my present salary to maintain a constituency clinic. Therefore, when I go home at weekends my home is my constituency clinic. I should like to think that I had sufficient money to operate the same type of constituency clinic as does the hon. member for Greenwood. He performs a service that is not within his own home and that certainly assists the people that he represents. I agree that there should be a discretion. I have heard it said by many members that they do not want a constituency clinic within their riding. I think it should depend on a member's own judgment whether such a clinic is operated or not.

With regard to retroactivity, which is the third criticism, as far as I am concerned this problem started in 1965. I saw my own income depreciating every year as the result of the rise in the cost of living, and so I have been directly affected, having suffered a decreasing income each year since 1965 to the present day. Probably I should say that I want retroactivity back to 1965, and I certainly see nothing wrong in making the increases retroactive to October of last year. I think this question was studied by Mr. Beaupré and others prior to October, and I think the increase should be backdated to the commencement of the session.

The fourth area relates to adjustment of increases, and at the present time there is no method of adjusting our indemnities. Probably this is one question with which we are having greatest difficulty. So many people present the problem: What should we do with regard to increasing members' salaries? What mechanism should we use? When you ask a person who raises that problem what we should do about it, he fails to come forth with the answer. Should we tie our indemnity to some category in the public service, or should we use an average of a series of categories? The whole problem is very difficult.

By the time we commence our next session, whether I am here or not, I hope that the government will recommend some specific category to which we should attach our salaries so that we can avoid a repetition every few years or so of introducing legislation to catch up on salary increases. I hope that the figure decided on will be a reasonable one, one that takes into account an evaluation of our backgrounds, our responsibilities, our performance and the amount of time spent.

At one time I thought it was possible to hold down two positions, my professional position as a lawyer and also that of an M.P. Let me tell you, Mr. Speaker, that since 1965 when I came to this House I have not practised law to any extent. My partner does 99.5 per cent of our law work. Being a Member of Parliament is a full time job, which I think is the way it should be. This must be taken into account in determining what our salary should be. To place a member in the position where his salary is insufficient and he has to look to other areas to supplement it diverts his time and his energy from his duties in the House to the making of money to meet his ongoing expenses.

When I rose I said I supported the bill. On sitting down, I also say I support the bill.

[*Translation*]

Mr. Léonel Beaudoin (Richmond): Mr. Speaker, it is with much apprehension that I rise today to take a stand on Bill C-242, an Act to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act and an Act to make provision for the retirement of members of the Senate.

It is always very embarrassing for a member to say whether he will vote for or against an increase in his own salary. The matter requires of course a serious self-examination, but I would nevertheless like to express my views frankly on the question.

I respect the opinions expressed by my hon. colleagues, and I will not hold their vote against them, even though I do not always share their viewpoints.

Mr. Speaker, hon. members have listened with a great deal of interest to the plea made by the Prime Minister (Mr. Trudeau) on April 26, during which he announced governmental proposals to increase members' salaries and allowances. One must not right away that the right hon. Prime Minister took shelter behind the recommendations of the Advisory Committee on Parliamentary salaries and Expenses, under the chairmanship of Mr. T. N. Beaupré, president of Domtar Limited. The Prime Minister summarized them as follows:

—the future of Canada depends largely upon the ability of the public to secure the services of the best possible people as parliamentarians.

—salaries should be high enough to attract persons of proven ability at a time when their earning potential may be at its highest.

—the position of the parliamentarian is essentially a full-time occupation; his working day in the House of Commons is usually much longer than the industrial average.

—the tenure of office of a member of the House of Commons is uncertain; 292 members have been defeated in the past 12 years with probably more to come.

—the nature of the position is becoming increasingly more time-consuming, more complicated, more sensitive and requiring considerable moral courage.

—a member of Parliament must meet many expenses that are not common to other salary earners and that are not deductible for income tax purposes, as is the practice in many other countries.

And the right hon. Prime Minister added:

It is the view of the government, Mr. Speaker, that the interests of Canada will not be served if Parliament fixes the levels of compensation of the elected representatives of the people at a level which is either so high as to attract candidates for reasons of financial gain, or so low as to deny effectively the opportunity of parliamentary service to all but those possessing private incomes. In the judgment of the government the second hazard is of more immediate cause for concern than is the first.

Those are the words of the right hon. Prime Minister.

Mr. Speaker, from a personal standpoint I think there is some good in the arguments advanced by the right hon. Prime Minister and, in another occasion, in another time and in a better economic context, I would certainly adhere to government's proposals for I really need this increase since I represent a rural riding which is about 100 miles long with some 50 municipalities and nearly 80,000 people. Moreover, I have to provide for the livelihood of ten children. But, in the present circumstances and particularly in the present economic situation, at a time when thousands of workers are unemployed, when the rise in the cost of living has not been curbed, when economists tell us the greatest danger we are exposed to is inflation, I cannot accept these proposals. Indeed, Mr. John Young, chairman of the Prices and Incomes Commission stated yesterday in Vancouver that inflation had not yet been licked and that employers and workers should show some moderation in their claims for higher salaries and profits.

Mr. Speaker, I am thus under obligation to object to the raise in indemnities and allowances which has been proposed by the government. First the government pretend that such a measure will attract to Parliament men with higher qualifications and in a better position to solve the economic problems of Canada.

In the first place, let me question this assumption. Let us suppose for a moment that Parliament were "full up" with economists and lawyers. Would that solve the problem of the unemployed? If business is bad, if the economy is upside down, should it be blamed on members or on the leaders of the government who accept an archaic and obsolete financial system which deprives the consuming public of its necessary spending power. The government is advised by economists, lawyers and civil servants. These are all educated and qualifed people, as the Prime Minister said. However, they have led the Canadian economy to the brink of bankruptcy, mainly on account of their evident inability to equitably administer all the classes of our society.

• (2:50 p.m.)

Meanwhile, the government refuses to increase old age security pensions and family allowances, and to establish a guaranteed annual income for all Canadians.

In support of my statement I shall quote figures on votes taken in the House of Commons since the opening of This Parliament in 1968. Four times the Progressive Conservative members united with the Liberal members to defeat motions from the Ralliement créditiste or the New Democratic party concerning the guaranteed minimum income, increased family allowances and increased purchasing power for those whose needs are greater. On the occasion of very important votes on other proposals aimed at improving the condition of the poor, the Progressive Conservative members supported the members of the Ralliement créditiste or of the New Democratic party, but the Liberal majority always opposed such proposals. Let me make a few remarks on some previous votes.

On October 28, 1969 and on October 13, 1970, the motion on the guaranteed minimum income was defeated by the government.

On November 5, 1968, June 10, 1969 and October 28, 1969, motions to reduce taxes were defeated by the government.

On October 25, 1970, the motion to increase family allowances was defeated by the government.

On May 4, 1970, an amendment concerning the increase of old age security pensions was also defeated by the government. Legislation on young people unemployment had the same fate on December 15, 1970.

Mr. Speaker, if the government members were asked why they voted against all these social measures, they would reply that we have to fight inflation, therefore not give too much buying power to the taxpayer. To make purchasing power available to the most disadvantaged consumers, to those who need it most for food, shelter and clothing is, in the eyes of this government, bad and dangerous.

But to increase the salaries and allowances of members of Parliament and of the senators from $18,000 to $26,000 a year is not dangerous, there is nothing wrong with that. Mr. Speaker, history repeats itself: the rich administrator is getting fat on the national income but denies a minimum income to those most in need of it and mainly to those it is his duty to protect.

For all those reasons I will have to vote against increasing parliamentary salaries and expenses until such time as the government sees fit to propose some social measures to improve the plight of the poor and the plight of the families unable to live on their budget.

Let the government move to increase family allowances and old age security pensions, and I will immediately vote in favour of an increase in our salaries and allowances. But if nothing is done for our citizens, if no legislation is introduced to increase family allowances and mainly to increase the buying power of those who need it most, I will object to increasing our salaries and allowances.

[*English*]

Mrs. Grace MacInnis (Vancouver-Kingsway): Mr. Speaker, hon. members in this part of the House, including our leader, the hon. member for Kootenay West (Mr. Harding), the hon. member for Winnipeg North Centre (Mr. Knowles) and, more recently, the hon. member for Broadview (Mr. Gilbert), have thoroughly gone over the provisions of this legislation. I must say I will join with the majority of the members of this party and oppose this bill.

An hon. Member: Oh, oh!

Mrs. MacInnis: I hope the hon. member for Burnaby-Richmond-Delta (Mr. Goode) is not too far away. I wish to repeat for his benefit what I have already told members of the press. Whatever I net as a result of this increase I intend to give to suitable causes and charities in my constituency. My constituents will be taxed as a result of this increase, and I want to be sure they get at least some benefit from it. I feel I will be in a better position to do this than perhaps even the President of the Treasury Board (Mr. Drury). I intend to look after the disbursement of this increase myself, but I shall not keep it. Without being too presumptuous, I think it would be better if those hon. members on the other side of the House who are so anxious to divest themselves of any advantage they might gain as a result of a salary increase would use their weight to prevail on the government even at this time to withdraw this legislation.

When this legislation is fully understood, I am sure it will have a boomerang effect upon not only their own fortunes but the feelings generally of the people of this country. Let me quote from the Toronto *Globe and Mail* of yesterday.

An hon. Member: Oh, no!

Mrs. MacInnis: It is not a bad paper compared to some that are read by members on the other side of the House. The editorial states in part:

> It will interest Canadians, however, to discover with what speed the government is prepared to move in a matter involving its own personal pockets, when it has been so slow to move—claiming as excuse always that it was being obstructed by the opposition—in a multitude of great matters that involve the country.

This I think is the point that has most shocked the public. I refer to the fact that for so long we have been trying to get a better deal for the veterans, the aged, the young people, the handicapped, the crippled and the people on social assistance, and always the same cry has been heard—that the matter is being carefully considered, it is being studied and that it will take some time before the cabinet makes up its mind.

• (3:00 p.m.)

People have been patient; they have waited in vain for the reports to come forward. Then suddenly this measure comes forward involving a great increase in the salaries of Members of Parliament, and the government practically falls over itself in its attempt to get the measure through with all possible speed.

As I said a moment ago, members of my party have canvassed all the major arguments against this bill from our point of view. They have emphasized the fact that the amount is unconscionably large at a time when inflation and unemployment are raging across the country, the Prime Minister's opinion to the contrary; that it is very wrong for the leaders of the country, the people who are supposed to be giving the lead in Parliament, to choose this time to add to the flames of inflation and the misery of unemployment by making their own position more secure and insulated. This is rather like the situation in the old days when there was a shipwreck at sea. What if the captain and the officers had rushed for the lifeboats first, to make sure that they would get aboard, leaving the women and children to take their chances with the sea? It is a little bit that way with this legislation.

I am speaking this afternoon because I shall be away from the House when the vote is taken, if one is taken, on the first or second day of next week. I feel very strongly on this matter. Furthermore, I do not want there to be any ambiguity about where I stand when it is essential that my constituents and people in other parts of the country who write to me about this matter—I receive a great deal of mail on the question—should

know my position. I realize the sincerity of people who have spoken on both sides of this question. We have just heard a spokesman from our party speaking on the other side of the matter from myself. I know the way some people look on this question. They believe it is justifiable to be taking this step. There may be amendments which they believe would be desirable, but on the principle of the bill they are in agreement. They have a perfect right to see things as they do and to speak as they wish. This is our right in Parliament, and thank goodness we have this type of Parliament.

I grant, also, that the needs of Members of Parliament vary considerably. It is impossible to tell what the needs of individual Members of Parliament may be. Some of us have hidden obligations which do not meet the eye. Others obviously have difficulties in respect of the size and type of constituency they serve. Still others have families in which children are at an age when they are receiving university or vocational training. There are a great variety of needs.

I have always been in favour, and have said so in our caucus and elsewhere, of some attempt being made to meet these varying expenses. I think the chairman of the committee which looked into this matter was correct when he spoke of having vouchers for expenses certainly in so far as these involve travel and overnight hotel accommodation for members in rural ridings. I think he was quite right. I believe there should be in this legislation some attempt to discriminate in favour of members not only in northern ridings but in difficult ridings, and discrimination also in respect of other types of expense.

I am surprised, however, by the government's attitude. When it has come to the poor people, the people on pension or the people on social assistance, this government has been very much in favour of a means test or, in more polite words, a needs test. The government has taken the position that before people can get anything from public funds if they are poor, handicapped or old, they have to lay the little cash they have on the table and make it abundantly clear that they must have this extra help because of their financial situation and economic need. I cannot understand why the government has lost all enthusiasm for that approach when it comes to the salaries and allowances of Members of Parliament. It would seem to me that if a means or a needs test is a good thing people in the lower income bracket, the government would think it to be an excellent thing for Members of Parliament. They are using one yardstick for the poor and another for those who are not so poor. This is what the public notices particularly and does not like about this legislation.

This across-the-board lavishness shows up badly, especially when it includes people in the other place. People in some sections of our community do not feel that those in the other place do a necessary job of work. It seems rather unnecessary to many people that the people in the other place should have that kind of old age consideration even if they are in a chamber which is so ornate and traditional.

It seems to me the whole question of increases in salaries and allowances of Members of Parliament depends very much on how one looks at it. Some members make comparisons between their incomes and those of senior public servants. True, I have not yet heard anyone make a comparison with the salary of Mr. Rasminsky the governor of the Bank of Canada. However, if Mr. Rasminsky could get an increase from $50,000 a year to $75,000 a year, surely some Members of Parliament who look at it in this way would consider we are mere pikers to settle for what we will be receiving under this bill. Surely they are worth what Mr. Rasminsky is worth to our country. Why should they settle for a piddling amount in comparison with his salary?

If we look at it in this way, there is no end to the value we could set upon our service to the country. However, I do not think that is the way to look at it. I know there are people who look at it in that way but I do not. I feel we are here to represent the people of our ridings. There are people in our ridings who have a different point of view from those who elected us, because they lean toward another party. But we are here to serve all of them. To my mind it is essential that there be not too large a discrepancy between what we get and what the people who sent us here are getting. If there is too big a discrepancy in income there will be too great a discrepancy in point of view. Too big a discrepancy in income means too big a discrepancy in outlook. I think this is one danger in increasing salaries and allowances of Members of Parliament away beyond the salaries and allowances of the majority of our constituents. For this reason, if for no other, I am opposed to this legislation. I am opposed for other reasons also.

I receive many letters about this matter. I received one today from and old age pensioner. He wrote protesting the increase for Members of Parliament at this time when he must get along on $80. This is a perfectly normal and logical way of looking at it, in my view. I do not think I am that much more valuable to the community than he is. He did all he could in his time, and I am trying to do what I can in mine.

• (3:10 p.m.)

If we are serious, honest and genuine when we talk about all of us having a right to equality of opportunity and to be considered worthy of sharing the things of this country in a dignified way, I think it is dishonest—if you want me to throw that word around—to say we are worth so much more than the old age pensioner and other people on low incomes. I do not think we are, and it is a crooked way of looking at society, in my view. I think we should be here to speak, above all, for the people who are not in a position to speak for themselves.

The people who are worst off should get our attention first, and the ones who need it the most should be given the biggest pay boost. You may say that this philosophy is crazy, that it belongs to the dark ages of Christianity, to the teachers and the preachers about whom my colleague spoke, who did not know any better a generation ago than to want to serve without increasing their salaries—but I do not look at it that way. I think we are here to represent the people in our ridings who most need our representations. Until we can get a proper living stand-

ard for these people we should not be cushioning ourselves, great as the need may be.

I think an attempt should be made to assess the needs of individual Members of Parliament and to meet the needs of those who need an increase more than others. This across-the-board increase does not sit well with me. I warn members of the House that when the gap between the rich and the poor in this country becomes too great, we will hear more of the type of criticism that we are hearing now, namely, that Parliament is becoming irrelevant.

Believe me, the criticism about Parliament becoming irrelevant is not made because members are not in their seats all day, as they should be according to the public; and it is not made because we do not have enough committees or because we do not have a system similar to the U.S. presidential system. That is not the basic reason for the criticism, and no amount of tinkering with the committee system, with trips here, there and yonder, or trying to make different rules in the House will do away with the criticism. The criticism stems from the fact that the poor people, the veterans, the old age pensioners, the cripples, people with big families and small incomes, feel that Parliament is completely irrelevant and cannot meet their problems or find solutions for them.

Mr. Stewart (Cochrane): Do you think it is irrelevant?

Mrs. MacInnis: Yes, it is becoming irrelevant. The National Advisory Committee on Welfare agreed with me when they said that one of the things we should be doing now is to stop the business of patchwork welfare programs and come out with a national program for a guaranteed income, a level beneath which people will not be allowed to fall. They said that even if we had a guaranteed income of $2,000 a year for a single person, $3,400 for a family of adults, $3,980 for a family of three and $4,560 a year for a family of four, such an expenditure would be below Canada's annual expenditure on roads. It would be substantially less than the annual increase in tax revenues of $3.1 billion between 1968 and 1969.

That is the kind of raise I want to see and the kind of raise I have been trying to get ever since I came here—a raise for the people who need it most. My goodness, neglecting the roads for a while might cause potholes in them, but if we neglect the people of this country much longer we will have something much worse than potholes in people. I am deadly serious about this. What is the sense of providing $14.7 million for a do-it-yourself program for youth and then finding that you get applications involving a total expenditure of $150 million? My own province and that of the hon. member for Victoria (Mr. Groos) has sent in applications for $17 million, and programs to match, which is nearly $3 million more than the total amount provided for all of Canada.

I think we are making the raises in the wrong places and we are beginning the spending in the wrong places, if this Parliament is to be relevant. I want Parliament to be relevant. What is the sense of our being here if it is not relevant? I do not think we should be any longer in the position of having to raise our own salaries. Why can we not set up the next time around, which I hope will be some time in the distant future, some kind of an independent body—and I mean independent—which would go into this matter and would fix a scale and a standard in accordance with the cost of living? Even so I will quarrel with it unless at the same time we provide cost of living raises for people with less than we have.

One of the most shameful things we did in the past year was to fix old age pensions at $80 a month, with no escalation whatsoever no matter what happens to the cost of living. Yet here we are escalating our salaries and pensions without anybody being able to say "No" to us. There is the story of the little boy who came home after being punished at school for telling a lie. His father said, "You knew it was wrong to tell a lie, didn't you?" "Yes," the boy said "and, worse than that, it didn't work". This legislation is all wrong and, worse than that, it will not work because people will not put up with this sort of thing when they know what it is. In other words, if Parliament wants the confidence and trust of the people of this country, it has to deserve their trust and confidence. Has it been doing that?

Let me go back to the National Advisory Committee on Welfare. They said that welfare payments under the current legislation and regulations were modest compared with payments to the real beneficiaries of government welfare programs, the corporate rich—only these are not called welfare programs; they are called economic growth incentives. Ours is not called a welfare program either, it is called salaries for Members of Parliament; but it comes out of the same place and it is for the same purpose.

I want to be able to live with myself. I do not want to tell people that I am in favour of democracy and in favour of a fair deal for people and then tamely submit to this sort of thing and go along with it when I know it is wrong. Furthermore, I would not even be prepared to submit this question to the Prices and Incomes Commission. On a number of occasions I have seen what the commission can do with a large bucket of whitewash and I am not in favour of giving them a chance to do the same with this matter.

The House should face up to this situation and realize that the bill is intensely unpopular with the people we were sent here to represent. Even at this late date we should say "No" to this bill and cold-storage its consideration and its implementation until we have had a chance to find out how people feel when the next election rolls around.

• (3:20 p.m.)

[*Translation*]

Mr. Romuald Rodrigue (Beauce): Mr. Speaker, a bill to increase the indemnities and allowances of members of Parliament and senators is now before us.

First of all, I should like to say that I echo the suggestions and remarks made yesterday by the hon. member for Lotbinière (Mr. Fortin). Consequently, I do not intend

to bring up again the arguments for or against the bill brought forward since the beginning of the debate. But I would like to expose my own points of view on some specific clauses.

To my mind, this is not time to suggest increased allowances and expenditures when the economy of the country is stagnating, when a large number of Canadians are up against problems of unemployment and spiralling prices. Underemployment and increased prices are the direct or indirect result of lack of action and the maladministration of the government.

In private industry, when bad management or economic conditions do not allow for dividends, they are simply forgotten. And I think that that is the position which we should take under the circumstances.

I do not mean to say that parliamentarians are the only ones responsible for the present situation. Certain officials should also take the blame for a good part of the disappointments of this administration. They would benefit from soul-searching, if they can do it.

Certain information media should also examine themselves on the nature of the information which they convey to the public whom it is their mission to inform.

The Beaupré committee report mentions the working facilities which should be available to members of Parliament so that they can adequately discharge their responsibilities. Here is an excerpt from this report:

> The Committee is satisfied that important improvements must be made in the facilities provided to Members and in the methods of financing them. The need to make these improvements is urgent and it will become more urgent and more serious as the importance of the role of the individual Member in the parliamentary system continues to expand.

The Parliament member should at least have the same facilities as those available to civil servants. How many civil servants would accept to share an office with two or three people? Very few, I think.

I also feel that the member should have secretarial services available to him in his constituency so that he can meet his constituents and provide the population which he represents the services expected of him. I believe that such facilities should be substituted for increases.

Another matter which we cannot discuss in this House and which is the target of bitter criticism on the part of the population concerns the Senate.

I have a lot of respect for the members of this institution. I am aware of the services which they have rendered to this country, over the past century.

The remarks that I have to make about the Senate are specifically directed to the institution itself. Since it is a century old, it needs rejuvenating. I would go further: a great many Canadians are even questioning the need for it. I believe I am reflecting the opinion of a majority of Canadians when I say that the role of the Senate must be reevaluated and that we should, if required, do away with it.

Without being in complete agreement with the figures proposed in the Beaupré Committee report, I should like to state clearly that I agree with the basic principles

stated in the report, concerning the methods to be used for the payment of salaries and allowances to members of Parliament and senators.

In my opinion, the salaries of members of Parliament should be taxable on the same basis as those of all other Canadian taxpayers. Let me be more precise. Presently, a member receives a taxable salary of $12,000 and a tax-free allowance of $6,000 for his expenses.

The tax-free allowance should be abolished. Expenses inherent in the functions of member of Parliament and senator should be reimbursed on the same basis as those of public service employees, and according to practices prevailing in private industry.

On the matter of expenses, the Beaupré Committee simply recommends the reimbursement of expenses related to the function of member of the House of Commons or senator. This can be implemented in two different ways: either by providing directly to members of Parliament services for which they now pay out of their salaries and allowances, or by reimbursing expenses on the production of vouchers.

The fixed allowance now in existence and which the government intends to maintain in effect is not in line with recognized taxation principles in Canada. Furthermore, the fixed amount of the tax-free allowance is not logical because of the disparities due to the various distances to be covered in the different constituencies.

The expenses of a member residing in the national capital area or in any other easily accessible centre are certainly not comparable to those of a member residing hundreds of miles from the country's capital. In addition, distances within certain constituencies are another factor to be taken into consideration.

This bill in my opinion, is tantamount to extraordinary legislation which is no longer justifiable. During the last general election campaign, was it not the Liberal party, now in power, that had among other items of its platform the establishment of a just society, the suppression of privileges and the adoption of legislation fair to everyone?

We all deplore the fact that the public tends to consider as salary the fixed allowance for expenditures really incurred by the Member of Parliament in the discharge of his duties. In this respect the position of the Member of Parliament does not differ from that of any other taxpayer. The system proposed by the Beaupré Committee is more equitable than the present one and would also be more easily understood by Canadians.

We have the opportunity to correct this extraordinary situation which is not justified.

We intend to modernize Parliament and the administration. The opportunity is there to correct this situation by rejecting this extraordinary legislation.

If we continue to follow this practice, we let the people suppose that the tax-free allowance is only a disguised way to round off the indemnity paid to parliamentarians, while this is not the case.

There should also be provided a term for the periodical adjustment of parliamentary allowances as is customary in the public service. In this way, it would not be neces-

sary to introduce, every five or ten years, an increase which never fails to draw heavy criticism. Its percentage might be determined in advance, or established according to the increase in the cost of living. Criticism would thus be avoided and everybody, those who govern and those who are governed, would know in advance what they may expect.

For these reasons, my intention is to vote against this legislation. To conclude my remarks, I will add that I am struck by the difference between standards governing those who enjoy a privileged position and the rest of the people.

[*English*]

Mr. John Burton (Regina East): Mr. Speaker, I think that the indecent haste with which this legislation is being proceeded with in the House of Commons will be noted by people in all parts of Canada. In the last couple of days the House has tried to proceed with this measure in an atmosphere of indecent haste. I have not seen the government move as fast this session on any piece of legislation as it is moving on this bill.

• (3:30 p.m.)

Let us see what took place this week. First, on Monday the Prime Minister (Mr. Trudeau) announced in the House that this measure was the government's proposal. Also, no ice of intention to introduce the bill was placed on the order paper. At the earliest opportunity provided in the rules, on Wednesday the bill was given first reading. Then the bill had to stay on the order paper for one day until second reading could be proceeded with on Thursday. On Thursday the bill was called for second reading. I only received a copy of the bill on my desk on Thursday morning. Since then all sorts of attempts have been made to wind up this debate in one day or in two days in an effort to get the bill out of the way as rapidly as possible. There is much evidence to suggest that this has been attempted in the House during the last couple of days.

I suggest that the Canadian people will wonder, rightly so, why it has taken us so long to deal with the many problems involving unemployment, the people on fixed incomes, the farmers of this country, and so on, whereas the House has shown such an amazing burst of speed in dealing with this legislation which is in the interests of Members of Parliament.

An hon. Member: We have been discussing this question for two years.

Mr. Burton: This is the first occasion on which it has been discussed on the floor of the House. If the hon. member wishes to make comments, I suggest that he do so from his own seat and not from the front bench seat in which he is now sitting. He does not have a position on the treasury benches yet, even though he may imagine himself in such a role in the future.

Debating this issue is, of course, difficult. Intemperate remarks are bound to be made by hon. members; some have been made already. I think all hon. members of the House have made remarks which they have later regretted in dealing with this issue. They made them in the heat of the moment when feelings were running high. On the other hand, it is fair to say—I think this needs to be said—that many intemperate remarks are made by the public with respect to the remuneration of Members of Parliament. There is a lack of awareness of the needs of members and their situation and hon. members often become the whipping-post or scapegoat when the public feels unhappy about a certain matter. Of course, this is easy to understand. It is to be regretted that the government did not proceed to deal with this matter in another way.

I think the general public ought to be aware of the special situation that faces Members of Parliament. We live different sorts of lives. Part of this is by choice and part is through necessity. When I say that people lack an adequate awareness of the situation of Members of Parliament I should qualify those words by pointing out that many people in my constituency and elsewhere have acknowledged in a courteous and friendly way the very difficult sort of life which a Member of Parliament of ten has to live. When I say that there is a lack of awareness and adequate understanding of the situation of a member I must be very careful to qualify that statement by making it clear that many people do recognize the special needs and situation of Members of Parliament.

We work very long hours. This can be said of members of all political parties. Most members of the House work long and often unusual hours, although members of the public sometimes gain the impression when they visit the galleries that because members are absent from the chamber they are not working very hard. Also, I think there is a lack of awareness of some of the things a Member of Parliament must do if he is adequately to perform his job. It is fair to say, Mr. Speaker, that many Members of Parliament work exceedingly hard. Many work much harder than the average person who lives a normal, ordinary life. Of course, there are some exceptions but this applies to any group of people.

It must also be noted that the family life of a Member of Parliament is affected by the life he is called upon to live. Members of Parliament must of necessity be absent from their homes for more time than they like. This applies to most hon. members and certainly applies to me. Very real conflicts develop for a member such as myself who has small children and is trying to fulfil his family responsibilities at the same time as he is attempting to carry out his responsibilities as a Member of Parliament.

It must be noted that being a Member of Parliament is a full-time occupation today. Certainly that is the case for the member who wants to do an adequate job. The day when a member could carry on another line of work while performing his duties as a Member of Parliament is past in almost all cases.

Also, a Member of Parliament is called on to do considerable travelling in his constituency and in other parts of Canada to meet a wide variety of obligations and commitments. Members of the public look with envy on these opportunities for travel, but it is safe to say—and I

am sure that most members of the House will agree with me—that after one has travelled a certain amount one does not look upon travelling in the same way as others. A saturation point is reached with respect to travelling and thereafter it is not the same enjoyable, thrilling experience that some may believe it to be. To be constantly on the go and constantly travelling away from home and one's place of regular work is not good.

It must be pointed out, as others in this debate have pointed out, that of necessity a Member of Parliament incurs many unusual expenses, some of which are difficult adequately to define if one attempts to relate them to any ordinary expense account structure. As some hon. members have said, the Member of Parliament occurs expenses which he would not incur if he were not a member, and some of them certainly do not fit the standard format of accountable expenses. This still leaves the point that there are certain accountable expenses which should be taken into account and given further consideration if we are to develop an adequate structure for the remuneration of Members of Parliament.

In looking at the entire picture of the peculiar circumstances of Members of Parliament, and considering at the same time just what sort of job they are doing, whom they are representing and whose money they are spending, we must give consideration to maintaining a balance between the very real financial needs of the member on the one hand and the member's relationships with the people of his constituency and the people of Canada on the other. This is a matter that must be kept in mind at all times.

• (3:40 p.m.)

I have a particular point of view on this matter. Some members will undoubtedly disagree with my approach. That is their right and privilege and I respect them for their differences of opinion. I ask them to respect me for my views and to acknowledge that we have a very difficult task to perform. In fact, we need to do more work before we arrive at a satisfactory solution to this problem. This is a degrading process which Parliament has to go through at intervals. I suggest that the process we are now going through, and have gone through on a number of occasions in the past 25 years, hurts and degrades Parliament and its members. Members of this chamber are placed in the very awkward position of attempting to deal with this matter in an objective and sensible fashion.

Members of Parliament should be completely dispassionate in dealing with this matter, no matter whether at some point they must assume responsibility for whatever decision is taken. It is clear that we need a different procedure than we have had up to now. This is one of the matters that the Beaupré committee was asked to study—and it struck out completely! The biggest single failing in the report of the Beaupré committee is that it does not make any suggestions or proposals for dealing with this matter in the future. In fact, the committee passed the buck on this issue and declined to make a concrete proposal. As such, they failed in part to accept the responsibility that was given to them when the committee was established.

I have reservations with regard to some of the suggestions that the salary or indemnity of members of Parliament should be related to a particular level of salary in the public service. It is difficult, if not impossible, to adequately relate the role and job of a Member of Parliament to any particular position in the public service. They are entirely different types of jobs.

I take some objection to the procedure followed by the Prime Minister when he made his announcement in the House of Commons at the beginning of the week. He said this is what the government is proposing to Members of Parliament. He then went on to outline government proposals with respect to a number of categories in the executive level of the public service. He did not attempt to establish any relationship between these two groups, but he made the announcement at the same time as though he were lumping together civil servants and Members of Parliament. This carries implications which should be questioned by Members of Parliament and examined very carefully before we go too far down the road of linking the indemnity of a Member of Parliament with a position in the public service.

As I have already noted, there is a very real need to take further account of some of the expenses, particularly those of an accountable nature, which are or may be incurred by a member in carrying out his duties, and also to ensure that more adequate services are available to Members of Parliament. What is the present situation? We have the report of the Beaupré committee which made a number of recommendations. In spite of the fact that the Prime Minister thanked the Beaupré committee very profusely for the work it carried out in preparing its recommendations, the government essentially rejected the recommendations and approach of that committee. It was a mistake to take that sort of approach.

Some aspects of the Beaupré committee recommendations merit consideration and should be further considered. Reference was made in the Beaupré committee report to the necessity or desirability of improvements in travel arrangements for members and their spouses. Generally, I find these proposals acceptable. I think they would be helpful. They do not involve a direct payment to members and their spouses; they would make more facilities and services available to them.

It should be noted on the record, for the benefit of those who look with envy on the travel-free arrangement for members, that under this arrangement not one cent passes through the hands of a member unless it involves reimbursement for car travel, for which an expense claim is submitted. For the most part, especially with respect to economy air travel which is available to us, travelling is done entirely by voucher. It does not involve funds passing through our hands directly, although these funds are legitimately charged against the name of each member of the House. It should also be noted that although such travel arrangements are available to members, members must of necessity incur more expense than they would otherwise incur. When I go to Regina

for a weekend I spend more money out of my own pocket than I do if I stay in Ottawa. I am sure that many members are faced with the same situation.

The Beaupré committee proposed improvements in the telephone service available to members. It also proposed an allowance for telegrams. I agreed with the proposals for improvements in the telephone service. We already have a pretty good service, but it is just a matter of mechanics to improve it further in terms of the member's needs. I question the allowance for telegrams. I note that reference to it has crept into the legislation now before us. I think it is a very questionable type of extension of services to members.

It is also proposed that mail addressed to or from Members of Parliament anywhere in Canada be sent postage free rather than only mail to or from the House of Commons. I also have reservations with regard to this proposal. As it stands, I cannot concur with it. From reading the legislation I gather it is to pave the way to implementing this proposal. I submit the proposal will be subject to much abuse. It is not the type of service which is most essential for a Member of Parliament. This type of service is very much needed in respect of correspondence mailed to and from the House of Commons, but I question whether it should be made available to members anywhere in Canada.

The Beaupré committee proposed that improvements should be made in office space available to members in Ottawa and in secretarial and other assistance for members. I find these proposals useful and satisfactory. It was also proposed that provision be made to assist with office facilities for members in their constituencies. This proposal should have been given more consideration by the government before making its decision. It should have been a top priority matter in terms of any changes which the government proposed. At the present time I have an office in Regina which I operate jointly with my colleague, the hon. member for Regina-Lake Centre (Mr. Benjamin), together with our constituency organizations and some of the interested organizations in that city.

• (3:50 p.m.)

My hon. friend from Regina-Lake Centre and myself contribute to the upkeep of this office out of our own pockets, out of our indemnity and expense allowance. We felt this would enable us to provide the useful and necessary service which members should provide to their constituents. Assistance in this respect would be warranted and acceptable. The Beaupré committee also recommended that improvements be made in office space available to members in Ottawa and that other assistance should be provided. This we certainly agree with.

A number of other proposals were put forward with respect to giving a housing allowance to members while they were in Ottawa, to do away with the $6,000 tax-free allowance, to raise the indemnity to $23,000 and, later, to $25,000. Then a range of increases was proposed for the Prime Minister, members of the cabinet and certain other members in addition to their usual indemnities. It is obvious that this set of proposals has been rejected by the government.

I agreed with the proposal to do away with the present tax-free allowance. It is one of the things to which people really object with respect to the remuneration of Members of Parliament. The proposal now put forward will be subject to just as much criticism as was the old allowance. An increase in the indemnity to $23,000 a year without any tax-free portion would have resulted in very little by way of a real increase in indemnity for members since the entire sum would be subject to income tax. Of course, this has now gone by the board. A case could have been made for a reasonable increase in indemnity but I do not think the proposal now before us is at all acceptable. I do not think it is the type of proposal the people of Canada will find acceptable no matter the merits it may have with respect to the particular situation in which some members find themselves.

I am bound to look at this question as the member for Regina East, as the member who was elected to represent some 90,000 people in the Regina East constituency and make decisions in this chamber on their behalf to the best of my ability. I am bound to keep in mind who these people are and the manner in which I relate to them. Many of my constituents are farmers. They have experienced very difficult economic circumstances over the past several years. They have also felt the brunt of government policies which have restricted their income and their income potential.

In the city of Regina many workers are earning only a very modest wage. Others are unemployed, unable to find work though they have been looking for it for months without success. Part of their difficulty in finding employment arises from decisions taken by the government. Some of these decisions came to the floor of the House of Commons. People will resent the fact that Members of Parliament suddenly find it possible to take speedy action to deal with their own particular needs.

In Regina East there are many who live on comparatively low wages. For a variety of reasons they were unable to gain anything by way of an improved education; for one reason or another they were unable to learn skills which would place them in a high-income category. They, too, have gone through a difficult time over the past few years. Along with others in Canada they have been asked to hold the line with respect to wage increases, in order to help fight inflation. Some of them who were least able to afford it were asked to bear more than their share of the burden of fighting the battle against inflation.

As in other constituencies throughout Canada, there are many old age pensioners in Regina East. Most of them live on fixed incomes. They went through the First World War and the Second World War with a depression sandwiched in between. The majority retired before the introduction of widespread pension plans and income security plans for the aged. At the present time their standard of living is minimal. There are also people in my constituency who are earning a comparatively high income. Some of them are in receipt of incomes far in excess of my salary as a Member of Parliament. They have been doing very well in many respects. Of course, they are part of the total population of the constituency. I

believe it is necessary to review government policies over the past three years as they have been brought before Parliament.

Mr. Speaker: Order. I must interrupt the hon. member because it is four o'clock. It being four o'clock, the House is required to consider private members' business.

PRIVATE MEMBERS' BILLS

CANADA LABOUR (STANDARDS) CODE

PROVISION FOR THREE WEEKS ANNUAL VACATION

Mr. Stanley Knowles (Winnipeg North Centre) moved that Bill C-41, to amend the Canada Labour (Standards) Code (three weeks annual vacation after three years) be read the second time and referred to the Standing Committee on Labour, Manpower and Immigration.

• (4:00 p.m.)

He said: Mr. Speaker, we have spent the day dealing with a matter that relates to the well-being of a group of workers known as Members of Parliament. I am happy now to present a bill that is concerned with the well-being of all workers who come under federal labour jurisdiction. I think it is appropriate to discuss this kind of bill at the conclusion of this kind of day. I suggest it is also appropriate for this bill to be before us this week in view of the fact that a few days ago we gave second reading to another bill to amend the Canada Labour (Standards) Code, a bill which we have already sent to committee. However, that bill does not include any reference to the aspect of the Canada Labour (Standards) Code covered in this bill of mine, so perhaps the House will want to be logical and consistent and send this bill to that committee as well so that the whole job can be done at once.

The purpose of this bill is to amend that part of the Canada Labour (Standards) Code that provides for annual vacations with pay. As I said the other day when we were debating the other bill, we have had for a number of years legislation providing for annual vacations with pay for all workers who are in industries which come under federal labour jurisdiction.

For many years I have initiated bills on the Order Paper asking that this be done. Finally it was made law by the government under the direction of the right hon. member for Prince Albert (Mr. Diefenbaker) when his Minister of Labour, Hon. Michael Starr, brought in a bill providing for annual vacations with pay. That first bill provided for a vacation of one week after one year of service with the same employer, and then two weeks after two years' of service with the same employer.

As hon. members will recall, some of us thought that it was unfair to make workers wait for two years before getting two weeks' vacation with pay, so in due course under a Liberal government the Michael Starr bill was amended and we now have the provision that there are to be two weeks' vacation with pay for workers under federal labour jurisdiction after one year of service.

I pause to put in the word of explanation that seems to have to be made very time we debate legislation respecting workers who come under federal labour jurisdiction. Almost every time, somewhere in the press a story appears that implies that we are talking only about public servants, those who work for the federal government. This is not the case at all. We are talking about employees in industries such as railroading and other forms of transportation, broadcasting, banking, and so on, those industries of the country which by the terms of the British North America Act come under federal labour jurisdiction. Actually, the groups of employees so covered comprise only about one-tenth of the working force, the other nine-tenths coming under the various provincial labour laws. However, it is important that a lead be given in this area, and that is what has been done by the federal government a number of times.

The purpose of this bill is to make one more little improvement. It is so little that it ought not to take any time at all. One might ask me why I did not put more into this bill. If you put two, three or four subjects into a bill, Mr. Speaker, there are members who get up and say that they agree with some parts of the bill but not all. Therefore, I have limited it—

Mr. Cullen: Sounds familiar.

Mr. Knowles (Winnipeg North Centre): My hon. friend who has not been here very long is already able to say that that sounds familiar. Since he is out of his place, I gather that when it comes to his turn to talk-out the bill he will have to go to his seat at the other end of the chamber. I was saying that the purpose of this bill is to provide that after three years' service with the same employer, an employee ought to have three weeks' vacation with pay. How can anyone say "No" to that? How can anyone, even my genial friend from Sarnia-Lambton (Mr. Cullen), talk-out such a proposal? I am sure he agrees with it.

There is one amendment that might be made to this motion for second reading which would not be offensive, and that is that instead of reading the bill for the second time the subject matter might be referred to the Standing Committee on Labour, Manpower and Immigration so it can be dealt with at the same time as we are dealing with the other amendments being made to the labour code.

Each time this bill has come up for debate it has been "loved to death" by those who say it is a good idea. I hope today that the love for it will not be quite so fatal but, rather, that the House will agree to refer either the bill itself or its subject matter to the Standing Committee on Labour, Manpower and Immigration.

Mr. Hubert Badanai (Fort William): Mr. Speaker, the mover of this bill is an expert manipulator of the rules and procedures of the House of Commons. Realizing that a private member cannot introduce a bill which would impose upon the treasury an expenditure, he has moved that Bill C-41, an act to amend the Canada Labour

(Standards) Code to provide for three weeks' annual vacation after three years of service for all workers, in addition to the statutory holidays to which everyone in the federal goverment's employ is entitled, be referred to the Standing Committee on Labour, Manpower and Immigration which would study the bill and decide on whatever recommendation the committee would wish to make to Parliament.

I cannot help but commend the hon. member for his persistence in introducing measures year after year to give workers additional time for leisure and recreation. I am sure all hon. members are genuinely sympathetic to the objective that Bill C-41 seeks to achieve. A similar bill to this has been introduced by the hon. member for Winnipeg North Centre (Mr. Knowles) on several occasions, as he intimated in his remarks, and in each case Parliament did not see the immediate need for such a measure when more pressing needs were awaiting government legislation.

While the principle of the bill may draw some sympathy, the proposed standard in Bill C-41 is three weeks' holiday with pay after only three years' service. It is, to a great extent, unusually ahead of current practice in government and industry generally. A recent survey of conditions indicates that in industries in the federal jurisdiction only 12 per cent of the non-office employees surveyed worked in establishments where three weeks' vacation with pay was granted after less than ten years' service. The proportion working in establishments where three weeks' vacation was granted after less than ten years was about 15 per cent.

In the booklet "Labour Standards in Canada" issued by the Department of Labour, and dated December, 1965, there is listed at page 50 vacation periods and the vacation pay requirements in the various provinces. I should like to quote from that page. In the federal service the length of annual vacation is two weeks or vacation pay amounting to 4 per cent of annual earnings. In Nova Scotia it is one week or 2 per cent of annual earnings; New Brunswick, one week or 2 per cent of annual earnings; Quebec, one week's regular pay if paid by the week or longer period, otherwise 2 per cent of annual earnings; in Ontario, one week or 2 per cent of annual earnings or 4 per cent, as the case may be, in the event of there being more than three or four years' service; Manitoba, two weeks' regular pay; Saskatchewan, two weeks or three weeks after five years' service. In Alberta it is two weeks' regular pay, and in British Columbia it is two weeks or 4 per cent of annual earnings. On page 50 we also find this passage:

• (4:10 p.m.)

In Quebec, if a worker has worked less than a year, he is entitled to a half-day of vacation for each calendar month of employment; in Saskatchewan, a worker with less than a year's service with his employer may be given one day of vacation for each month.

These changes were effective July 1, 1966. Saskatchewan is the only province with legislation to provide three weeks' vacation with pay, but after five years of service. Having regard to all the circumstances surrounding the numerous difficulties arising in applying this bill, if passed, to the small businesses employing only a few persons, I wonder whether it would not be better to leave the question of three weeks' vacation with pay to the bargaining table and the collective agreement rather than imposing a law which would in some cases work hardship.

Annual vacations with pay have been provided for by law in industries subject to federal labour jurisdiction since 1958. The first federal law, the Annual Vacations Act, required employers within its scope to grant their employees one week's paid vacation after one year of employment, and two weeks after two years' service. This act was replaced by part III of the Canada Labour (Standards) Code. The code provides for vacation with pay of at least two weeks after every completed year of employment. Vacation pay is 4 per cent of wages for the year in which employees establish their claim to a vacation. A year of employment, under the federal law, must be continuous with one employer and may be a 12-month period commencing with the day the employee began to work for the employer or any subsequent anniversary of that date; or it may be a calendar year or another year approved by the Minister of Labour.

The Canada Labour (Standards) Code applies to industries within federal jurisdiction, and the only employees excluded are those who are managers, superintendents or persons who exercise management functions, members of the medical, dental, architectural, engineering and legal professions. The provincial laws govern employees in employment within the jurisdiction of the province, with the exception of the classes of the following employees. Farm workers are excluded in all provinces. Also excluded are persons employed in horticulture in British Columbia, in growing flowers, fruits or vegetables in Ontario, and in ranching and market gardening in Manitoba and Saskatchewan. Domestic servants are exempted in all provinces but Manitoba and Saskatchewan. Professional workers are excluded in British Columbia and Ontario, employees of municipal and school corporations in Quebec, and members of family undertakings in Saskatchewan. Salesmen are excluded in Alberta, Ontario and Quebec, but in Quebec the exclusion is limited to those with less than three months' service and those who work for two or more employers at the same time.

Part-time workers employed four hours or less a day, or 24 hours or less a week, are not covered in New Brunswick. Those working three hours or less a day are excluded in Quebec, and those employed for eight hours or less a week are exempted from the Alberta legislation. In addition to the groups already mentioned, excepted are workers employed in lumbering and commercial fishing in Nova Scotia, persons engaged in funeral directing and embalming in Ontario, and apartment house janitors, caretakers provided with free lodgings and home-workers in Quebec. The large group of workers governed by decrees under the Collective Agreement Act are also outside the scope of the Quebec vacation legislation. Workers governed by a collective agreement in British Columbia are exempted from the act if the Minister of

Labour approves the vacation provisions of the agreement.

Under the Canada Labour (Standards) Code an employee is entitled to two weeks' vacation with pay after a year's service. In New Brunswick, Nova Scotia, Ontario and Quebec the vacation with pay to which a worker is entitled under the law is one week after a year of employment. In Alberta, British Columbia and Manitoba it is two weeks after a year of employment. The Saskatchewan act provides for an annual paid vacation of two weeks after each of the first four years of service and for three weeks after the fifth year and each year thereafter.

The period of five years of employment with the same employer necessary for an employee to qualify for three weeks' vacation may be continuous or may be made up of accumulated years provided that no break in employment exceeds six months, 182 days. The Saskatchewan act also provides that a system of cumulative vacation may be established by regulation, under which an employee may by agreement with his employer and with the approval of the minister postpone one week of his vacation each year for a period not exceeding four years.

Our Canada Labour (Standards) Code seems to be working very well, and though there have been some deferments, particularly with reference to hours of work, these deferments have been relatively few and I have every reason to believe that these problems will be equitably solved within a reasonable period of time.

In this bill the hon. member for Winnipeg North Centre has seen fit to reduce the length of service from five years to three. If he had been consistent he would have left it at five years, in which case I believe it would draw greater sympathy. We of course agree that there are minimum standards and that the federal government has a responsibility to introduce legislation to see that labour receives fair treatment at all levels, and even though the standards may not affect all the people in the country the government's responsibility is to set standards that should be followed. Provincial governments, as I have indicated, have the power to set their own standards and nearly all provinces have done so with respect to vacations with pay.

• (4:20 p.m.)

Labour naturally feels that in periods of prosperity it is the time to seek gains, to catch up with what it regards as its legitimate objectives. Being human, we should not be surprised at this. We should, rather, be grateful to the hon. member if in some cases he did not persist in unrealistic demands at times when the Canadian economy cannot afford it. The Canadian working force—that is, the average Canadian worker—is well aware of the state of the economy and workers are encouraged to seek their share of the general prosperity. I do not blame them for this.

I do not deny that it is within the authority of the federal government to legislate on labour matters, which includes regulations with respect to vacations with pay. And I am all for it, especially since we live at a time when technological advances in all fields of human endeavour leave our people with more time for leisure and recreation; at a time when we stand at the very threshold of even greater potential that will produce more with less work and, consequently, more time to spare.

I do not deny that a prolonged vacation is desirable and useful. In fact, I admit that it is increasingly useful in view of the technological advances in industry, in manufacturing and in the offices of the nation; and the time may be near when we will be able to implement measures envisaged in this bill.

The Acting Speaker (Mr. Richard): Order, please. The hon. member for Sarnia-Lambton (Mr. Cullen).

Mr. Knowles (Winnipeg North Centre): The hon. member is a bit early.

Mr. Jack Cullen (Sarnia-Lambton): Mr. Speaker, the hon. member is a bit loud; I can hear him away down here at the end of the House without benefit of a microphone. The hon. member for Winnipeg North Centre (Mr. Knowles) has been here for a considerable time and has fantastic experience. He seems to have the happy knack of taking the attitude that if you agree with him you are on the side of the angels; if you "love something to death" that is not good, and if you are opposed to him you are not singing with the angels but are probably in a different choir. I have watched the hon. member work through the question period, notices of motions and private members' bills. Much of what he does is good because it prods what he may think is the sleeping giant, namely, the government. But sometimes he holds out what I feel might be false hopes to the general public. It is at times like these when we feel we should participate or perhaps draw rein.

Mr. Speaker, during World War I there was a group known affectionately as the Old Contemptibles. I am not suggesting the hon. member for Winnipeg North Centre fits that particular phraseology but I suggest it might be more appropriate, when I hear him talk from time to time, to refer to him as the "old predictable." I might even be kind enough to remove the adjective "old". I say "predictable" because the hon. member, in respect of bills, motions, questions or suggestions, invariably takes a piece of legislation that is already on the books and suggests changes such as more money being spent, longer or shorter qualifying periods depending on which happens to suit the mood, longer and larger benefits, higher standards, and so on.

In so far as the hon. member is concerned, he is on pretty safe ground by taking this approach because he and his party, at least until this time, have no financial accountability to this House. His party does not have to raise the revenue to pay for the kind of things that he would like to see. Quite frankly, many of the things he would like to see I would like to see also.

Another somewhat unhappy response to some of the hon. member's suggestions—I am not suggesting it is true of this one—is that they fit a particular mould and hold out a kind of false hope to individuals who, when they

get a certain figure or grant, a certain raise or receive a certain pension may, through hearing the hon. member and because of the respect and esteem with which he is held in this House, feel that in effect that is what they should have received in the first place. This holds out the kind of false hope which may make them feel a little unhappy about their present circumstances.

Whether it be this particular piece of legislation or others, all of us have hobby-horses which we like to ride around. Sometimes we like to try them out on a political platform, when speaking on radio or television, at committee meetings or during what are referred to colloquially as "bull sessions." I doubt if there is anyone in this House who would not like to see the basic income tax exemption go up to $2,500 for single persons and $5,000 for married couples. But when you look at what this would cost in terms of revenue and, more importantly not so much what it would cost the taxpayers of Canada but what it would cost someone in the $6,000 tax bracket, you realize you have to separate the wheat from the chaff and that you have to make difficult decisions which, unhappily, do not appeal to the single man making $2,500 or the married man making $5,000. Sooner or later a responsible decision must be made.

There are other suggestions which are analogous to the bill before us. There are suggestions that old age pensions should be increased to $125 per month and that the guaranteed income supplement should be over and above that.

Mr. Knowles (Winnipeg North Centre): One hundred and fifty dollars.

Mr. Cullen: Well, I think the hon. member just spent about $3 billion in that little phrase. I do not think he or anyone else is irresponsible in suggesting that this is a target at which we should be shooting. But I think we must remind the average citizen of the other side of the coin, that is, that there are 800,000 or 900,000 people over the age of 65 who are probably drawing the guaranteed income supplement now, and if my statistics are correct I would say there are in the neighbourhood of 1,800,000 or 1,900,000 over age 65. So in recognizing our responsibility not only to the older generation but to the taxpayer who is footing a large portion of the bill, we must be realistic.

Mr. Speaker, we have a suggestion which I believe is a good one. It is the kind of representation or presentation for which the hon. member is well known because it is the kind of move that prods the government. It is not the sort of thing that would cost the taxpayer any great amount of money, and it would not be prohibitive in so far as the employer and people operating under these standards are concerned. This is the kind of legislation I am happy to see our Minister of Labour (Mr. Mackasey) looking at. The hon. member for Winnipeg North Centre has already said that the legislation in respect of which he has moved an amendment has been given second reading and has been referred to the committee. So taking the subject matter of this bill, or the bill itself, and referring it to the committee is in my submission somewhat redundant because, in effect, if amendments are to be made, worked out and suggested by the hon. member, I suppose they could be made without the necessity of placing more paperwork before the committee but simply by his being there and making the suggestions or recommendations.

When the federal government moves in this area it is, after all, making moves regarding minimum standards. I emphasize the word "minimum" because, surely, we are setting up a framework for employers who, unhappily, in the past have not seen their way clear to do the kind of things suggested under the minimum standards legislation because had they done so there would not be any necessity to move this kind of legislation. I am not so young that I cannot think back to the 1930s when my father worked for a mining concern. He worked seven days a week during the winter. He never saw the light of day, because he went underground at a particular hour in the morning and came up at a particular hour in the evening. At no time did he see daylight. It was not portal to portal; it was from the time you reach your working place until the moment you leave it. Holidays were based on the Scrooge-like idea that you might get Christmas, but very seldom Boxing Day unless it fell on a Sunday.

• (4:30 p.m.)

So by dint of good legislation we have set down that no employees in Canada, particularly those under federal jurisdiction, have to worry about the Scrooge-like approach of the employer to the employee. Through the kind of legislation that we have before us—I am not referring specifically to the hon. member's bill but to the bill he chooses to amend—we are in effect setting minimum standards. These standards have to be set in conjunction with those set by the provinces. It is not our wish to unduly embarrass a province. In effect, we could move that certain action be taken which might prod a provincial government into moving in the right direction. If we do that in appropriate fashion, I think it is more beneficial to the worker: we will not have antagonism between the provinces and the federal government but the kind of co-operation that I would like to see when we deal with something as basic as minimum labour standards for the work force.

When I refer to minimum standards, although in effect we are only dealing with those who come under federal jurisdiction, the provincial legislation of course covers the other 90 per cent. It may be that through taking the lead with that 10 per cent our action can have a profound effect on the benefits which will eventually accrue to those in the provincial field.

I expect that the hon. member for Winnipeg North Centre, after this legislation or something akin to it is passed, will be looking at ILO reports, as I have looked at them, and endeavouring to find other areas where our legislation might be a little weak and where we might try something new, not necessarily new to other countries but something that is new to Canada. When I was doing my research I was interested to find that one of the new developments in some countries is the practice of granting longer holidays based on age rather than length of service. This is the kind of innovative approach that I

would like to see governments take. I would like to see them study it, as ILO and other organizations do and as our Department of Labour does.

My information is that when the Minister of Labour took over this portfolio he called in most, if not all, people from the department who then tried to figure out how we could grant the maximum possible benefits to the workers for whom we are responsible. All kinds of ideas were produced and splendid legislation came before the House and, I am happy to say reached the committee stage. They came before the Standing Committee on Labour, Manpower and Immigration, where there seemed to be little controversy: the principle was accepted.

The Minister of Labour, through such legislation as the bill on unemployment insurance which is before us now, has taken an innovative approach. I was particularly impressed with the most recent legislation where he made provision for areas involving massive lay-offs and severance pay in a minimum standards bill, which would have been unheard of not too long ago.

I understand that in the Federal Republic of Germany—I assume it is the western section—the holiday legislation entitles workers over 35 to three extra days, and many collective agreements provide for further increases on the basis of age. In Luxembourg, workers over the age of 30 receive three extra days, and those over 38 six extra days.

So although the kind of legislation that I would like to see is not new, it could be new for Canada. As I said, I would not be the least bit surprised to see on the order paper very soon this kind of innovative legislation which is geared to helping the working man and to which I would lend my support. However, after the Department of Labour has made its study and brought in its recommendations for the length of annual vacation that is to be given and the qualifying period required—this must have taken a fair amount of study and probably much more research than I could have carried out—I would be interested to hear the recommendations made by departmental officials.

We must bear in mind that it is minimum standards at which we are looking, a guideline for employers, and anything we can do to prod the employer to help the working man would be to the good. No one would be opposed to that kind of approach.

Mr. Ray Perrault (Parliamentary Secretary to Minister of Labour): Mr. Speaker, the hon. member has demonstrated a rare perseverance in once more advancing this proposal to provide workers under federal jurisdiction with three weeks' annual vacation after three years. I know that there would be a great deal of support in Canada for this concept. In some parts of our country such a proposal may be economically viable. It is certainly in line with our concept of social justice.

As other speakers in the debate have pointed out, consideration is being given at present to further amendments to the Canada Labour (Standards) Code in so far as it calls for holidays with pay. I thought the hon. member made a very useful speech the other day when he spoke to us of his concern for and, happily, of his general support for the amendments before Parliament now to the Canada Labour (Standards) Code. He made one observation which is to be found on page 5241 of *Hansard*, referring to the amendments to the Canada Labour (Standards) Code, which reads as follows:

> We must also remember that once this legislation is on the books, it will not apply to all the workers of Canada. It will only apply to those who are in industries that come under federal labour jurisdiction. This represents about 10 per cent of the work force. Perhaps it is a little higher if the public servants who are brought in by regulation are included, but it is still a very small section of the labour force of this country.

I think he made a useful comment when he said:

> For this to be universal, it would require constant agitation in all the provincial legislatures in order to get those bodies to bring in comparable legislation. It is quite true that it is in this place that a lead can be given. I hope the improvements that are before us tonight in this legislation will be noted by the legislatures of all the provinces and that they will make similar improvements.

Here is recognition by the hon. member that what we do here can give a lead to the country, particularly in the establishment of labour standards. We have seen this happen time and time again. A number of hon. members pointed out in an earlier debate the very beneficial effect that the establishment of a federal minimum wage in 1965 had on minimum wage standards from coast to coast in Canada. But the very fact that we create legislation here whose ultimate effect ranges totally beyond the workers under our federal jurisdiction means that we must bring to our development of such legislation an attitude of responsibility.

The other day we had a debate about the federal minimum wage which came under rather violent criticism from members of the socialist party. One hon. member said that $1.75 an hour was a totally inadequate minimum wage and that we had not even attempted to bring the Canadian worker up to the poverty line, or words to that effect. Hon. members are fully aware that the Minister of Labour (Mr. Mackasey) would like to see a minimum wage very much higher than that, as would most members of the House, but we also know that in Canada as it exists today there is a diversity of economic problems. An unrealistically high minimum wage in one part of Canada might, if applied to another part of Canada, represent a realistic level. We know that if we peg the minimum wage at the level that most of us would support, this would create very great economic difficulties in some provinces. Apart from our own political difference here, we know this to be a fact.

• (4:40 p.m.)

The hon. member who is a former Premier of Saskatchewan knows that the Prairie provinces generally do not have as high wage levels as those which exist on the Pacific coast or in the province of Ontario. This is a fact that he had to live with as Premier of that great province. The other day, one of the Winnipeg hon. members became very self-righteous and alleged that $1.75 an hour is totally insufficient as a federal minimum standard; yet the province of Manitoba, I note, has a minimum wage of only $1.50. The same hon. member is critical of proposed

increases in indemnities for Members of Parliament, yet a committee of the Manitoba legislature has just come out in support of a 100 per cent increase for members of that legislature.

We have to be logical; we have to be realistic; we have to be candid in some of our attitudes, and so it is with the standard that we have under discussion now. In some parts of Canada it is no doubt true that three years' service with the same employer could well support three weeks' annual holidays with pay each year, and most of us appreciate that fact. Certainly it is one of the hopes of the government, in respect of the amendments to the Canada Labour (Standards) Code which were given support in principle the other day, that the present standard will be improved. This is a matter which should come under discussion at the committee stage when we are considering those amendments to the code.

With only about one-tenth of the labour force in Canada coming under federal jurisdiction, we know that what we do in this place can have an influence with respect to the 90 per cent of employees who come under provincial jurisdiction, and we know that what we do here with respect to guaranteed holidays will be influential. While we want to be in the vanguard of social and labour reform, we must not set unrealistically high standards which cannot for the foreseeable time be emulated by many of the provinces.

I am rather bewildered by an apparent contradiction in some of the statements made by the hon. member for Winnipeg North Centre (Mr. Knowles) in this debate and in the contribution that he made to the debate the other day in this House on second reading of the bill amending the Canada Labour (Standards) Code. I believe that at page 5245 of *Hansard* the hon. member is recorded as saying that his bill, C-41, was asking for 3 weeks' holidays after five years' service. Actually, his bill refers to three weeks' holidays after three years' service.

Mr. Knowles (Winnipeg North Centre): On a question of privilege, Mr. Speaker; I wonder if the hon. member is aware of the fact that the error was mine? I got up the next day—and it can be seen under the item "Contents" of *Hansard* for April 27—and said that while I said five years, it should have been three years, and I had pleasure in pointing out it was not *Hansard*'s error and was not a printer's error. It was actually mine, believe it or not.

Mr. Perrault: Mr. Speaker, it is nice to know that the hon. member is fallible, as all of us are.

Mr. Knowles (Winnipeg North Centre): Stick around and you will learn quite a bit.

Mr. Perrault: In Bill C-228 amending the Canada Labour (Standards) Code, while it is true that the number of weeks of vacation is not modified—that is, two weeks after one year of service—in future employees who are terminated before 30 days of attachment to the employer would be entitled to 4 per cent of their earnings, while under the present wording of the code an employee receives nothing if he leaves his employer before the completion of the 30-day period.

While that improvement in the status of the worker is not of the type advanced in the bill that we have before us now, it does mark progress, and this is the essence of Bill C-228. It represents a number of important steps forward and it is encouraging to see how it has received the general support of the members of the House.

A review has been made on some of the standards that exist in the provinces. To indicate the great diversity of standards as they exist now perhaps it would be useful to review them briefly once again. Annual vacations with pay have been provided for by law in the industries subject to federal labour jurisdiction since 1958. The first federal law, the Annual Vacations Act, required employers within its scope to grant their employees paid vacations of one week after one year of employment and two weeks after two years of service. This act was replaced by part III of the Canada Labour (Standards) Code which provides for a vacation with pay of at least two weeks after every completed year of employment. Vacation pay is 4 per cent of wages for the year in which employees establish their claim to a vacation. We are moving now, through the proposed amendments to the Canada Labour (Standards) Code, to improve many of these code provisions.

A year of employment under the federal law must be continuous with one employer and may be a 12-month period commencing with the day the employee began to work for the employer, any subsequent anniversary of that date, or it may be a calendar year or another year approved by the Minister of Labour. All provinces have annual vacations' legislation although, as we know historically, we have not had recognition of the social desirability and need for vacations for all that long a period of time.

The Newfoundland act, as I understand it, has not yet been proclaimed in effect. The provisions regarding annual vacations with pay are contained in the Alberta Labour Act and in two orders under it, a general order and a special order for the construction industry; in the Ontario Employment Standards Act and regulations, in Quebec minimum wage orders and in the Saskatchewan Labour Standards Act, part I, and regulations.

British Columbia now provides for annual vacations with pay and public holidays in one statute, the Annual and General Holidays Act. The other five provinces have separate annual vacations laws. Vacation with pay provisions are also contained in most decrees under the Quebec Collective Agreement Decrees Act and the Construction Industry Labour Relations Act. Some industrial standards schedules make provision for pay in lieu of annual vacations.

The Canada Labour (Standards) Code applies to industries within federal jurisdiction and the only employees excluded are those who are managers or superintendents or who exercise management functions, and members of the medical, dental, architectural, engineering, legal and scientific professions.

The provincial laws govern employees in employment within the jurisdiction of the provinces, with the exception of the following classes of employees. The Newfoundland act provides for the exemption of employees

or classes of employees by order of the Lieutenant Governor in Council. No regulations have yet been made. Farm workers are excluded in all provinces. Perhaps that is an area in which we will have to move in the future, just as we have moved in the matter of unemployment insurance. In addition, British Columbia excludes persons employed in horticulture; Manitoba and Saskatchewan, in ranching and market gardening. In Ontario, workers in certain occupations related to farming are covered—for example, raising of fur-bearing animals, egg-grading, greenhouse and nursery operations, the growing of flowers for the retail and wholesale trade, silviculture, tree trimming and surgery.

Similarly, in Saskatchewan the act applies to egg hatcheries, greenhouses and nurseries, and bush clearing operations.

We have reviewed the situation all across the country. We can see the great diversity of economic pursuits in this country and the difficulty which often exists for a federal government to establish norms which can be emulated at some time within the foreseeable future, and just as in the matter of federal minimum wages we have to establish realistic standards relating to holidays with pay. We are making a good deal of progress in this field, despite the feeling we all have at times that we are not going quickly enough and despite the frustration of those impatient for change.

• (4:50 p.m.)

The movement in favour of the granting of annual holidays with pay is characterized by a very slow, initial period starting some 60 or 70 years ago, followed by a period of rapidly spreading recognition of the right of workers to paid holidays. The practice of granting vacations to state officials and public employees, which was current in a number of countries in the nineteenth century, began to be followed at the turn of the century by certain private employers on an extremely limited scale.

These early measures were soon reflected by the adoption of holiday legislation applying to some categories of workers such as apprentices, women workers, salaried employees or persons employed in shops. Following the First World War came the first legislation entitling workers in general to an annual holiday with pay. Yet by 1934, really a short time ago relatively speaking, there were only 12 countries with holiday legislation applying to wage and salary earners in general, and in countries where these matters were regulated by collective agreements it was not by any means the general practice to grant holidays by such voluntary action.

However, from 1936 on—the date of the adoption of the first, trail-blazing convention on the subject—there was a pronounced impetus in the movement favouring entitlement to holidays. Since then the right to annual vacations has come to be recognized by law or has become part of the normal practice in practically all countries, except in some small territories or countries where there are few wage earners. This progress in regard to annual holidays has not been limited to the geographical extension of the principle. Considerable advance has also taken place during the past 30 years in the minimum duration of annual leave. Increases from one to three weeks or even more are not unusual, and there has been considerable advance in the conditions subject to which holidays are granted.

I know that it may not be possible at this time to implement the meritorious proposal which has been advanced by the hon. member. Surely in the future we will need to evolve a method to distribute the undoubted benefits of the new technology and of cybernation so that the workers of Canada and elsewhere will benefit from these great advances. We may find, 20 years from now, that three weeks' holiday for three years of service with one employer will be regarded as conservative in the extreme. I spell "conservative" there with a small "c".

Mr. Knowles (Winnipeg North Centre): Hear, hear! It is not even "liberal" with a small "l".

Mr. Perrault: One writer said the other day that in the future we face oceans of leisure time. But we must distribute that time. Inevitably that will mean shorter working hours and more holidays for the worker. Nevertheless, I am not standing here as Parliamentary Secretary to the Minister of Labour and attempting to advance the proposal that Canada, now, should unilaterally provide for infinitely longer holidays and a massive redistribution of "leisure time" for workers. Unilateral action is clearly impossible because of the competitive economic situation and because of the competitive aspects of world trade. Nevertheless, we must come to grips with the fact that more and more people are going to be on the planet and that more and more technology will be applied to the productive process. We must come to grips ultimately with these economic facts of life, and we must be able to equate technological progress with better living conditions for the people and with more opportunities for people to enjoy the world into which they have been born. Unless we can do all that, we shall face a very real crisis indeed. Those facts must be recognized.

The Acting Speaker (Mr. Richard): Order, please. The hon. member's time has expired.

Mr. P. M. Mahoney (Parliamentary Secretary to Minister of Finance): Mr. Speaker, a great deal has been made this afternoon about the idea that although only about one-tenth of the labour force in Canada is under federal jurisdiction and the remaining 90 per cent under provincial jurisdiction, labour legislation passed here in Ottawa nevertheless has far greater mathematical importance in the country than those figures would indicate, because not only does it affect the one-tenth of the labour force that it governs but it shows the way to the provinces and generally establishes the lead for the provinces to follow in a fairly short time.

I was interested in the opening remarks of the hon. member for Winnipeg North Centre (Mr. Knowles) who spoke of the appropriateness of dealing with a bill like this immediately after the government business which the House has been considering during the last two days. I was quite struck by the appropriateness of the circum-

stance that federal legislation in this field may give a lead, and I hope that the government of Manitoba—which is not considering an independent report dealing with the indemnities of members of the provincial legislature—an independent report that recommends an increase of 100 per cent—will consider that lead. That government is led by that great Social Democrat Ed Schreyer.

Mr. Bell: Explain.

Mr. Mahoney: I hope that that government will follow the moderation that the federal government has taken in its approach to the problem of salaries of members of this place. Certainly, Mr. Speaker, we will observe with interest the way in which the Manitoba government deals with the report that it has in its hand.

Mr. Knowles (Winnipeg North Centre): Hear, hear!

Mr. Mahoney: The report recommends salaries of $14,400 a year for people who, generally speaking, sit for about ten weeks, although last year, admittedly, they had a five-month session.

Mr. Knowles (Winnipeg North Centre): It is only a report.

Mr. Mahoney: Yes. The Beaupré report was only a report, too.

Mr. Knowles (Winnipeg North Centre): That report was thrown out.

Mr. Mahoney: As I say, I hope that the government of Manitoba in dealing with that report will exercise the discretion and moderation that the federal government has shown in dealing with the report that it considered.

The Acting Speaker (Mr. Richard): Order, please. Since we are coming to the weekend I wish to make a few remarks, if hon. members will bear with me. First, may I remind hon. members of the grim reality that April is ending and that the deadline for filing income tax is approaching. May I urge hon. members, in view of what will take place tomorrow, to have a restful evening, to go to sleep early and to sleep long and then to join the thousands of citizens of Ottawa and the district who will march from Parliament Hill tomorrow morning at nine o'clock in the March for Millions. Finally, I express the innocent wish that the coming days of May will prove that spring is not far away.

At five o'clock the House adjourned, without question put, pursuant to Standing Order.

HOUSE OF COMMONS

Monday, May 3, 1971

The House met at 2 p.m.

ROUTINE PROCEEDINGS

PILOTAGE ACT

MEASURE TO PROVIDE FOR ESTABLISHMENT OF PILOTAGE AUTHORITIES AS PROPRIETARY CORPORATIONS

Hon. John N. Turner (for the Minister of Transport) moved for leave to introduce Bill C-246, respecting pilotage.

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

* * *

• (2:10 p.m.)

NATIONAL SECURITY

APPOINTMENT OF SPECIAL JOINT COMMITTEE ON LEGISLATION TO DEAL WITH EMERGENCIES CAUSED BY LAWLESSNESS OR VIOLENCE

On the order: Government Notices of Motions:

April 30, 1971—The President of the Privy Council:

That a Special Joint Committee of the Senate and House of Commons be appointed to examine, inquire into and report upon the nature and kind of legislation required to deal with emergencies that may arise from time to time in the future by reason of lawlessness or violence in Canadian Society and that endanger the existence of government or the maintenance of the peace and public order:

That twelve members of the House of Commons, to be designated by the House at a later date, be members of the joint committee on the part of this House;

That the committee have power to sit during sittings and adjournments of the House;

That the committee have power to report from time to time, to send for persons, papers and records, and to print such papers and evidence from day to day as may be ordered by the committee;

And that a Message be sent to the Senate to acquaint Their Honours thereof.

Mr. Speaker: Pursuant to section 2 of Standing Order 21, this motion is transferred to and ordered for consideration under government orders at the next sitting of the House.

QUESTIONS ON THE ORDER PAPER

(Questions answered orally are indicated by an asterisk).

MILITARY SHIPMENTS TO SOUTH AFRICA

Question No. 175—**Mr. Rowland:**

1. What was the total value of military spare parts shipments from Canada to South Africa in each year 1963 through 1969 inclusive?

2. What is the projected total value of similar shipments for 1970?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): In so far as the Department of Industry, Trade and Commerce is concerned: 1. In accordance with its responsibility for administering the Export and Import Permits Act, the following are total values of the export permits issued, approving the export of material described under Group 7 of the Export Control List (Arms, Munitions, Military, Naval or Air Stores), during the years 1963-1969:

Year	Value (Thousand Dollars)
1963	$1,223.2
1964	124.4
1965	547.1
1966	1,813.5
1967	1,113.7
1968	3,735.0
1969	1,904.8

The Department does not maintain records of actual shipments made against these export permits.

2. The total value of military spare parts for 1970 for which export permits were issued amounted to $1,249.7 (thousand).

SUGAR INDUSTRY

Question No. 657—**Mr. Watson:**

1. Have two citizen's recourses been filed by Jacques Carrière *et al* under the Combines Investigation Act and, if so, will the Minister of Consumer and Corporate Affairs expand the scope of such enquiry into the sugar industry to cover the competitive role in the Canadian sugar trade by Cartier Refined Sugars Limited prior to and after 1965?

2. How is the amount of the Canadian supply of raw sugar determined and using the 1969 supply of raw sugar, what percentage was supplied by (a) Australia (b) Mauritius (c) the Republic of South Africa (d) Cuba?

3. Was the tonnage of raw sugar supplied by Cuba to Canada in 1969 close to the tonnage supplied in the year that legal action was taken against the Eastern Canadian Sugar Industry under the Combines Investigation Act?

4. Will the Minister consider requesting the Restrictive Trade Practices Commission to investigate this situation?

5. Is the Minister considering changes in anti-combines legislation to deal more effectively with cartel and restrictive trade practices taking place outside Canadian boundaries and which affect Canadian pricing arrangements?

Questions

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of Consumer and Corporate Affairs and Industry, Trade and Commerce as follows: 1. It is not the policy to disclose either the names of applicants or applications for inquiries under the Combines Investigation Act. However, in response to question No. 2039 (*Hansard*, April 30, 1969, at pages 8161-8162) it was stated that since it was a matter of public knowledge, an application by Roberta Gray et al relating to the sugar industry in Eastern Canada had been received. To the extent that coverage of the competitive role in the Canadian sugar trade by Cartier Refined Sugar Limited prior to and after 1965 is relevant to the subject of the application, it will be given consideration.

2. The Canadian supply of raw sugar is determined by companies processing this product based on consumer demand in Canada. The percentage of raw sugar imported in 1969 was as follows: Australia, 23.2 per cent; Mauritius, 21.5 per cent; South Africa, 22.9 per cent; Cuba, 7.6 per cent.

3. No. Quantity of raw sugar imported from Cuba in 1962 when proceedings were instituted and 1963 when convictions were registered was 15,904 and 69,726 short tons respectively. In 1969 the quantity was 79,379 short tons.

4. See answer to 1.

5. Such matters are receiving consideration in the revision of the anti-combines legislation which is presently under study.

RCMP FILES ON COMMUNIST ACTIVITIES

Question No. 790—**Mr. Harkness:**

1. Are RCMP files on communist activities in Canada kept permanently or are they destroyed after so many years and, if so, what is the time period?

2. Were any of these files destroyed in 1966-67-68 and, if so, on whose orders?

Hon. Jean-Pierre Goyer (Solicitor General): 1 and 2. It is not in the public interest to disclose this information.

SECONDING MEMBERS OF CANADIAN UNIVERSITIES AND INDUSTRY TO MISSIONS IN ASIA

Question No. 1,066—**Mr. Rowland:**

Is the government, in its intention to devote greater attention to nations on the Pacific Rim, considering any or all of the following programs (a) financial assistance to universities to enable them to establish Pacific Rim area study programs and courses of instruction in the languages of the Pacific Rim nations (b) incentive grants to students enrolled in intermediate and advanced study of Chinese, Hindi, Malay-Indonesian, Bengali, Japanese, Vietnamese and other languages of the area (c) seconding appropriately trained faculty members of Canadian universities to Canadian missions in Asia (d) seconding promising young executives from commercial, industrial and financal concerns to trade missions in Asia?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): I am informed by the Departments of the Secretary of State, External Affairs and Industry, Trade and Commerce as follows: (a) and (b) No. (c) Yes. (d) As stated in the papers entitled "Foreign Policy for Canadians" tabled in Parliament on June 25, 1970, the Government is considering programs that would provide for secondments between the foreign service, government departments and the business sector.

[Mr. Watson.]

PEI—GRANTS UNDER PEI DEVELOPMENT PLAN

Question No. 1,081—**Mr. McQuaid:**

1. Since March 7, 1969, what was the total amount paid by the Government of Canada to the Government of Prince Edward Island under the Prince Edward Island Development Plan?

2. What amount was by way of (a) loan (b) grant?

3. Were the payments made by the federal government earmarked for any particular purpose or for any particular department and, if so, what are the details?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): The answer for the Department of Regional Economic Expansion to February 28, 1971, is: 1. $18,145,930.

2. (a) $1,891,000; (b) $16,254,930.

3. Yes.

	Contributions	Loans
Resource Adjustment and Development	$2,611,781	$ 891,000
Social Development	435,318	
Resource Supporting and Commercial Services	3,708,391	1,000,000
Implementation	1,649,440	
Development Grant	7,850,000	

REBATE OF DUTY COLLECTED ON IMPORTED GOODS FROM CARIBBEAN COUNTRIES

Question No. 1,090—**Mr. Robinson:**

1. Is there a program in operation whereby duty collected on imported goods from Caribbean countries is rebated to these countries and, if so (a) since what date (b) how much has been rebated during each year since the inception of the program?

2. On what commodities is duty rebated and what is the amount rebated on each?

3. What is the estimated rebate on each commodity for (a) 1971 (b) for the duration of the present system of rebate?

Hon. E. J. Benson (Minister of Finance): 1, 2 and 3. There is no program in operation whereby duty collected on imported goods from Caribbean countries is rebated to these countries. However, since 1967 Canada has made payments to Governments of those Commonwealth Caribbean countries that export sugar to Canada equal in value to the amount of customs duties collected on raw sugar imported therefrom to Canada. Payments have been made each year in the following amounts: 1967, $1,126,904.95; 1968, $1,148,259.63; 1969, $823,735.10; 1970, $262,496.04. The level of the annual payment is determined by the amount of duty paid by Canadian sugar importers on Caribbean sugar during a particular year. It is not possible to give an accurate estimate of the size of payments which may be made in 1971.

ADMINISTRATION OF CANADIAN SALTFISH CORPORATION

Question No. 1,105—**Mr. Peddle:**

1. What was the breakdown of the cost of administration of the Canadian Saltfish Corporation since its inception?

2. Who are the employees of the Canadian Saltfish Corporation; their positions; their salaries?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): 1 and 2. It has not been the practice, nor is it considered to be appropriate to require Crown Corporations to divulge information that is basically related to their internal management and administration. This is quite distinct from giving information with regard to general policy which the Corporation may follow in major matters. It is expected, however, that information on the cost of administration in its first year will be reflected in the first annual report of the Corporation. Publication at this time of that information would be premature in view of sales negotiations now in progress.

NUMBER OF RCMP INVOLVED IN ARREST UNDER WAR MEASURES ACT

Question No. 1,198—**Mr. MacDonald (Egmont):**

1. What is the number of Royal Canadian Mounted Police personnel who participated in the arrests relevant to the War Measures Act and the Public Order Act in 1970 and 1971 to date?

2. How many actual arrests were carried out by RCMP personnel under the War Measures Act and the Public Order Act?

Hon. Jean-Pierre Goyer (Solicitor General): 1 and 2. Up to 190 members of the Royal Canadian Mounted Police, in co-operation with the Montreal City and Quebec Provincial Police and under the authority of the Director, Quebec Provincial Police, assisted in the relevant arrests. Only two arrests were made directly by the Royal Canadian Mounted Police.

RCMP—OPERATIONS OF SECURITY AND INTELLIGENCE DIVISION

Question No. 1,199—**Mr. MacDonald (Egmont):**

1. Is there a budget item or operational description of the operations of the Security and Intelligence Division of the Royal Canadian Mounted Police and, if not, for what reason?

2. What is the total cost of security and intelligence operations within the Royal Canadian Mounted Police?

3. Are there other agencies of government which carry on similar activities or assist in this regard?

4. What is the official and general description of the operations of Security and Intelligence?

5. What is the number of prison security officials who have been remanded or suspended for reasons of discipline or incompetence on their behalf during the 1969, 1970 and 1971 operating years?

Hon. Jean-Pierre Goyer (Solicitor General): 1, 2, 3 and 4. The Royal Canadian Mounted Police is the main federal operational and investigative body in the field of security. Such authority—there is no explicit statutory authority—as does exist is derived from certain sections of the R.C.M. Police Act. It would not be in the public interest to divulge any further information in this connection.

5. January 1 to December 31, 1969, 100; January 1 to December 31, 1970, 98; January 1 to March 15, 1971, 32. Total, 230.

DREE—FINANCIAL ASSISTANCE TO QUEBEC

Question No. 1,227—**Mr. Rodrigue:**

Has a $37.5 million loan been granted to the Province of Quebec by the Department of Regional Economic Expansion to finance new projects in special areas and, if so (a) at what rate of interest (b) what is the duration of such loan?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Not one loan, but the Department of Regional Economic Expansion will provide loans for individual projects totalling up to $37.5 millions. (a) The rate of interest on these loans will vary according to a formula specified in Section 9 of the Special Areas agreement with Quebec. (b) The duration of loans will vary for individual projects, ranging from 15 to 30 years.

PORTNEUF CONSTITUENCY—INVESTMENT IN HOUSING

Question No. 1,257—**Mr. Godin:**

For each of the past ten years, how much did (a) Central Mortgage and Housing Corporation (b) Industrial Development Bank invest in housing in the constituency of Portneuf?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): (a) See table attached. Note: Central Mortgage and Housing Corporation statistical data are not recorded on the basis of Federal Electoral Constituencies. The table, therefore, presents data for the Municipal County of Portneuf. (b) None.

Net loans for housing[1] approved by CMHC under the NHA Municipal County of Portneuf 1961-1970

Year	Loans	Units	Hostel Beds	$000
1961	14	14	—	161
1962	6	6	—	63
1963	5	55	—	60
1964	11	9	1,447	6,839
1965	17	16	424	4,404
1966	21	21	—	1,309
1967	17	39	117	1,195
1968	5	8	45	386
1969	4	3	110	863
1970	5	34	—	400
Total	105	155	2,143	15,680

[1] Includes loans for new and existing housing.

INFORMATION CANADA

Question No. 1,263—**Mr. Mather:**

1. How does Information Canada intend to carry out its "Federal Presence Program"?

2. What specific research projects, publications or other devices are being used to inform the public better on federalism and federal services?

Orders for Returns

Hon. Robert Stanbury (Minister without Portfolio): 1. The object of the "Federal presence" or "federalism" program is to encourage Canadians to take a more active part both in informing themselves on the nature and operation of social ond political structures of the country and in participating in their development. To this end, Information Canada, will produce some information through exhibitions, films and the printed word to focus thought on Canada, its regions, its people and its national institutions. It will also give any encouragement within its power to the federal service, to business and industry, voluntary organizations or individuals concerned with achieving a greater public awareness of Canadian identity.

2. No research projects in this field are under way. In course of preparation are: (a) a publication on how parliament works being written in consultation with representatives of all federal political parties; (b) a series of pamphlets on services of the federal government; (c) an animated film being produced by the National Film Board which touches on themes of government in a pluralistic society; (d) a series of exhibitions touching upon pluralism, the federal constitution and federal services.

* * *

QUESTIONS PASSED AS ORDERS FOR RETURNS

PUBLIC SERVICE—SALARY RANGE OF DEPUTY MINISTERS AND ASSISTANT DEPUTY MINISTERS

Question No. 78—**Mr. Orlikow:**

For each government department, Crown corporation or agency, what was the salary range of the Deputy Minister and Assistant Deputy Minister or the equivalent position, as of January 1, 1957, 1962, 1967, 1969, 1970?

Return tabled.

WHITE PAPERS PRODUCED SINCE JULY, 1968

Question No. 615—**Mr. Howard (Skeena):**

What number of White Papers have been prepared by the government and made public since July 1, 1968 and what is the name of each such Paper, the number of copies printed or otherwise reproduced and the cost of (a) so printing or otherwise reproducing, and (b) distributing each such Paper?

Return tabled.

FEDERAL GRANTS FOR SENIOR CITIZENS HOUSING

Question No. 882—**Mr. Robinson:**

1. What is the total amount provided by loans and/or grants toward senior citizens housing for each of the years 1960-70 inclusive?

2. Where is each project located and what was the amount of each grant and/or loan?

3. How many grants and/or loans wil be made in 1971 and 1972 and where is each project to be located?

Return tabled.

[Mr. Mather.]

GRAIN RECEIPT STABILIZATION PLAN

Question No. 1,020—**Mr. Korchinski:**

1. What were the total receipts under the Grain Receipts Policy in each year since 1956, including the estimate for 1970?

2. What was the average of the preceding 5 years in each case?

3. What was the payment for storage in each year, including the estimate for 1970?

4. On the basis of the proposal as set out on October 29, 1970 in the Grain Receipt Stabilization Plan, how much would the government treasury have contributed and in which years had the plan been in effect since 1956, including the estimate for 1970?

Return tabled.

PEI—TERMINATION OF EMPLOYMENT OF FEDERAL EMPLOYEES

Question No. 1,076—**Mr. Macquarrie:**

1. How many full-time employees of the Government of Canada have had their employment terminated before retirement age in Prince Edward Island in the past twelve months?

2. What was the length of government service accumulated by each?

3. What was the age of each?

4. In how many cases was alternate employment offered (a) in what centres (b) at what rate?

5. For what reason or reasons were the services of the abovementioned public servants terminated?

Return tabled.

CIDA GRANTS TO FRANCOPHONE COUNTRIES

Question No. 1,077—**Mr. Mazankowski:**

Were any grants or loans made available by CIDA to francophone countries during the fiscal years 1967-68, 1968-69 and 1969-70 and, if so, (a) to which countries (b) in what amounts (c) for which projects?

Return tabled.

MOTION TO ADJOURN UNDER S.O. 26

THE CANADIAN ECONOMY

INADEQUACY OF GOVERNMENT POLICIES IN PROVIDING EMPLOYMENT ALLEGED BY MEMBER FOR DUVERNAY

Mr. G. W. Baldwin (Peace River): Mr. Speaker, pursuant to Standing Order 26 I ask leave to move the adjournment of the House to discuss a specific and important matter requiring urgent consideration. This matter arises out of the statement made yesterday by the hon. member for Duvernay (Mr. Kierans), in further explanation of his resignation from the government, that the policies of the government are completely inadequate for the purpose of providing employment for the hundreds of thousands of people without jobs. The resignation of the hon. member and the reasons given by him for that resignation accentuate the urgency of an immediate debate.

Mr. Speaker: The hon. member for Peace River has filed with the Chair the notice required under Standing Order 26. In the brief statement which the hon. member

has just made he proposes an emergency debate on the policies of the government in respect of unemployment, or employment, as the case may be.

As hon. members know, there have been many occasions during the current session when hon. members have debated the government's economic policies and in particular the employment situation. In the circumstances, I do not think that the matter proposed for discussion relates to a genuine emergency calling for immediate and urgent consideration, as required by the Standing Order.

As the hon. member knows, the Standing Order also requires the Chair to take into account the opportunity of debate within a reasonable time by other means than an emergency debate. It seems to me that there will be many such opportunities and that there is a probability that the matter will be discussed within a reasonable time by other means.

The Chair must rule, therefore, that Standing Order 26 does not apply to the circumstances alluded to by the hon. member for Peace River.

WANT OF CONFIDENCE IN GOVERNMENT'S ECONOMIC POLICIES EXPRESSED BY MEMBER FOR DUVERNAY

Mr. David Lewis (York South): Mr. Speaker, I am a little fearful about moving this motion in view of your ruling, but I will none the less. I ask leave, seconded by the hon. member for Winnipeg North Centre (Mr. Knowles), to move the adjournment of the House under Standing Order 26 for the purpose of discussing a specific and important matter requiring urgent consideration, namely, the want of confidence in the government's economic policies raised by the former Minister of Communications in statements following his resignation from the cabinet.

Mr. Speaker: The hon. member for York South has also given the Chair notice of his intention to move the adjournment of the House under Standing Order 26. With respect, I think I should suggest, as he has already gathered, that the comments just made by the Chair are in many ways applicable to the motion proposed by the hon. member.

The hon. member proposes a debate which is essentially a non-confidence motion. In this respect I would think his proposal is different from that of the hon. member for Peace River, but again I would not think that in itself makes it more justifiable under the terms of Standing Order 26.

As the hon. member knows, want of confidence motions are normally proposed for consideration by the House on the occasion of the Throne Speech debate, on budget debates, or in connection with supply motions. Since a budget debate can reasonably be anticipated within the very near future, and since there are still a considerable number of supply days available to hon. members between now and the end of the current supply period, I do not think the Chair would be justified in suggesting that an adjournment motion ought to be entertained for the purpose of a debate which would be essentially a non-confidence motion.

Inquiries of the Ministry

As hon. members know, I do not normally like referring to the fact that these supply motions are still available to hon. members, but it may be that we have just about reached that point in our proceedings where it becomes difficult for the Chair not to take into account the fact that between now and the end of the current supply period there are 13 supply motions available to hon. members.

I have also indicated the possibility of a budget debate. The Chair has no special knowledge that other hon. members who are not members of the government do not have, but I have to rely on some of the suggestions or statements which have been made in this respect by the Minister of Finance.

For these reasons I would not think it would be in order to accept this motion under Standing Order 26 for debate today.

ORAL QUESTION PERIOD

FINANCE

LEVEL OF CANADIAN DOLLAR—EFFECT ON EXPORTS—GOVERNMENT POLICY

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance a question relating to the level of the Canadian dollar as it is now almost a year since he announced the floating of the dollar. I do not think it is at all argumentative to suggest that this has had serious consequences for our exports, particularly of manufactured goods. Is it the minister's policy to let nature take its course with respect to the level of the dollar or does he intend to announce a policy regarding the level of the dollar in relation to other currencies?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, any statement regarding the repegging of the Canadian dollar would, of course, be made in the normal manner.

Mr. Stanfield: Mr. Speaker, may I remind the minister that he has been saying this for nearly a year. While I understand his position, I should like to ask whether in the near future the House can expect a statement of government policy by the minister regarding the Canadian dollar in order that hon. members and the country, particularly people in business, will have some indication as to what the aim of the government is? Will he be making such a statement?

Mr. Benson: Mr. Speaker, I think my hon. friend can normally expect me to make comments on this when I make a budget speech in the House.

Mr. Stanfield: When may we expect the minister's budget speech, and will the minister give the assurance that in the course of his speech he will make a statement as to the aim and policy of the government in respect of the level of the Canadian dollar?

Mr. Benson: I do not think my hon. friend can expect a budget speech this month. When I do make the budget speech, presumably next month, I will be making comments on this very important matter.

Inquiries of the Ministry

LEVEL OF CANADIAN DOLLAR—QUEBEC BORROWINGS IN UNITED STATES—DISCUSSION WITH PROVINCIAL PREMIER

Mr. J. P. Nowlan (Annapolis Valley): Mr. Speaker, in view of the problems associated with the position of the Canadian dollar I should like to ask whether the Minister of Finance has had any direct communication with the province of Quebec, particularly in view of the program announced by the Prime Minister of that province over the weekend involving a potentially large inflow of United States dollars which might very well affect the status of the Canadian dollar?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I have not had any direct contact with the Prime Minister of the province of Quebec on this particular matter. However, I have urged all provinces to do as much borrowing as possible in Canada. With regard to the particular matter raised by my hon. friend, of course the influence on the Canadian dollar would depend on the period of time over which there was an inflow of capital in this regard.

LEVEL OF CANADIAN DOLLAR—EFFECT OF TAX PROPOSALS—DISCUSSION WITH PROVINCIAL PREMIERS AT FORTHCOMING CONFERENCE

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, I have a supplementary question. In view of the fact that a number of provincial premiers are very concerned about the value of the Canadian dollar and because so many of the tax proposals the minister may bring in will certainly affect the dollar, is it the intention of the minister or of the government to discuss any of these tax proposals and any questions concerning the dollar at the next conference with the provincial premiers or is the conference to be limited to constitutional matters?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, at this time I have not seen the agenda for the meeting of the prime ministers and premiers. However, this matter will be discussed with the provincial treasurers when I meet with them. With regard to the matter of tax proposals, it is our intention after the budget speech and the legislation are presented to have a meeting with the provincial treasurers and ministers of finance at that time in order to discuss the specific proposals included in the budget presentation of the government.

METHOD OF MAKING INCOME TAX CHANGES

Mr. John Burton (Regina East): Mr. Speaker, I should like to ask the Minister of Finance if he can now indicate when the amendments to the income tax legislation will be introduced in the House or will they be related to the budget presentation to which he has already made reference?

Hon. E. J. Benson (Minister of Finance): I think they will probably be related to the budget presentation I have mentioned which would be some time after the end of this month.

[Mr. Benson.]

LEVEL OF FOREIGN CURRENCY RESERVES—USE TO PURCHASE PROVINCIAL AND MUNICIPAL SECURITIES HELD IN UNITED STATES

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, I have a supplementary for the Minister of Finance. Since one of the reasons given for unpegging the Canadian dollar was the large amount of foreign currency reserves we were required to maintain and as those reserves are much larger now, is the government planning to make any use of these reserves? I understand we have already purchased some of the federal securities held in the United States. Is the minister planning to ask for any amendments to permit the government to obtain provincial and municipal securities held in the United States?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, although these reserves have risen somewhat beyond the level at the time the dollar was unpegged, they have not risen materially in this period. If one takes into account the forward commitments of the government at the time the dollar was unpegged, the government has not interfered materially in the valuation of the Canadian dollar as it would in the foreign exchange markets. With regard to the changes in the legislation for use of these reserves, I have no present intention to ask Parliament for this.

TIME REQUIRED TO ACHIEVE FULL EMPLOYMENT ON BASIS OF PRESENT POLICIES

Mr. David Lewis (York South): Mr. Speaker, may I ask the Minister of Finance to tell the House whether the government has some estimates as to the time it will take to arrive at full employment, as defined by the Economic Council of Canada, on the basis of the policies the government has undertaken?

Hon. E. J. Benson (Minister of Finance): I am not sure the Economic Council of Canada did define full employment, although I understand one of my hon. friend's colleagues did define it as 4 per cent. We will work toward this throughout this year and the following year.

Mr. Lewis: Mr. Speaker, I corrected the Prime Minister on that the other day and I would have thought the Minister of Finance would have heard it. He ought not to suggest that we suggest 4 per cent. On the basis of the Economic Council of Canada's suggestion of 3 per cent as the maximum unemployment we should have in Canada as a full employment policy, I think it is important for the House and the country to know whether the government has any estimates to indicate how long the Minister of Finance thinks it will take us to reach at least a 3 per cent unemployment rate?

Mr. Benson: Mr. Speaker, when one is talking in this area one is forecasting into the future in a way the Minister of Finance does not normally do in the House of Commons except during his budget presentation. When I make my budget presentation I will indicate what the expected unemployment should be throughout the year, just as I did last year.

Mr. Stanfield: Just as clearly?

Mr. Lewis: May I ask the Minister of Finance whether he intends to produce amendments to the existing Income Tax Act or to produce a completely revised act, and whether that is the reason for the long delay in the presentation of the budget into the month of June, which is not usual?

Mr. Benson: All I can say is that there will be substantial changes to the present income tax legislation.

Mr. Speaker: I will recognize the hon. member for Huron on a supplementary question and then go to the hon. member for Bellechasse and next to the hon. member for St. John's East who wishes to ask a supplementary to a prior question.

ASSISTANCE TO EXPORT INDUSTRIES BECAUSE OF FLOATING DOLLAR

Mr. R. E. McKinley (Huron): Can the Minister of Finance advise the House whether or not the government has approved and provided any financial assistance to those export industries which have been severely hurt by the floating dollar, as the Minister of Industry, Trade and Commerce said the government would?

Hon. E. J. Benson (Minister of Finance): What I have indicated is that there are assistance programs in the Department of Industry, Trade and Commerce to aid industry which is hurt by particular actions of the government in this regard.

[*Translation*]

SUGGESTED REDUCTION OF TAXES TO INCREASE PURCHASING POWER

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to direct a question to the Minister of Finance.

Following the statement made by Mr. Arthur Smith, chairman of the Economic Council of Canada, that Canada should find new programs to increase the spending power of Canadians, will the minister recommend a reduction in taxes which affect chiefly the small taxpayers so as to improve their spending power?

[*English*]

Hon. E. J. Benson (Minister of Finance): I think that the programs we announced last December, including the putting of $200 million this year into the hands of old age pensioners, will help the purchasing power of consumers.

[*Translation*]

Mr. Lambert (Bellechasse): Mr. Speaker, I should like to ask a supplementary question.

While realizing that some progress has been made in this field, would the minister recommend another policy, in addition to the $200 million already announced, to give small taxpayers a better chance?

[*English*]

Mr. Benson: In my proposals put forward in the white paper on tax reform there was a substantial shift in the tax burden from the taxpayer in the lower bracket. We have not had very many useful suggestions beyond that from the opposition.

LEVEL OF CANADIAN DOLLAR—CONSULTATION WITH GOVERNMENTS OF ATLANTIC PROVINCES ON ASSISTANCE TO INDUSTRIES

Mr. James A. McGrath (St. John's East): In light of the evidence produced by the Atlantic Provinces Economic Council to the effect that the appreciation of the Canadian dollar is a major deterrent to the economic recovery of the Atlantic provinces, does the government intend to consult with the governments of the Atlantic provinces with a view to assisting affected industries which are currently being inhibited in their growth plans as a consequence thereof? Perhaps the Minister of Regional Economic Expansion could assist the minister in this regard.

Hon. E. J. Benson (Minister of Finance): The reason for the strength of the Canadian dollar is the extreme success that this government has had in its policy of encouraging exports, and for the first time in recent history we are running a current account surplus in Canada, so there is pressure on the Canadian dollar.

* * *

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—WASHINGTON MEETING—SUGGESTED FORMAL PARTICIPATION BY CANADA IN DISCUSSIONS

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I should like to ask the Acting Prime Minister or the Secretary of State for External Affairs in either capacity, whether the government officials at today's talks in Washington are expressing the position that Canada must be a formal party to the discussions on the initiation of the TAPS route or any other route?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the purpose of the meetings that are being held in Washington is to discuss the concerns that we have about the ecological dangers that arise from the building of this pipeline, and we will be discussing with the United States how best the interests of the Pacific coast of Canada and the United States can be protected.

Mr. Woolliams: Perhaps the Secretary of State for External Affairs did not quite get the import of my question. What I am asking is whether those officials are expressing the position that Canada must be a formal party—I mean formal party—to the discussions on the initiation of the TAPS route or any other route?

Mr. Sharp: Obviously, Mr. Speaker, this is a decision that has to be made by the United States. We are making our representations on the dangers that arise out of the building of that pipeline, none of which will pass through Canada or through any part of Canadian waters. Therefore it is important that the United States should know

now what the views of the Canadian government are about the dangers involved in the pollution of the seas and probably the pollution of Canadian land.

Mr. Woolliams: In view of the 210,000 gallon diesel oil spill on the west coast of the United States, with evidence of traces of the oil being found as far north as the Juan de Fuca area, I would like to ask the minister whether the government officials are expressing the position that the Canadian government cannot give its support to the TAPS route on the basis of any present research, particularly since the Acting Prime Minister's former colleague says it will take several years to come up with a decision in this regard?

Mr. Speaker: Order, please.

Mr. Sharp: Mr. Speaker, I do not know that I understand the purport of the question, but if the hon. member is saying he shares the views of the Canadian government about the dangers connected with building the TAPS line, then I am all with him.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—NEGOTIATIONS ON CONTINENTAL ENERGY POLICY

Mr. Max Saltsman (Waterloo): Mr. Speaker, I would like to direct a supplementary question to the Acting Prime Minister. In view of the fact that the United States is very keen on a continental energy policy, and in view of the fact that on the other hand we are very much concerned about the effects that the TAPS line will have on the ecology of Canada, will he indicate to the United States authorities that if they proceed with this line this will jeopardize any negotiations we may have on energy?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I do not think that in a matter like this threats get one very far. I am quite sure that in the United States there is the same concern about the ecological dangers of building that line as there is in Canada. It is most important that all of us should make this concern known which, as I say, I think is shared by the people of the western United States as well.

Mr. Saltsman: Since wringing of hands has not done much good, perhaps the Acting Prime Minister might do well to try something more positive.

* * *

[*Translation*]

POLLUTION

EFFECTS OF PROPOSED QUEBEC, JAMES BAY HYDRO-ELECTRIC PROJECT

Mr. Jacques-L. Trudel (Montreal-Bourassa): Mr. Speaker, I wish to direct a question to the Acting Prime Minister.

Does the government intend to appoint a commission to inquire into the possible environmental damage as well as pollution resulting from the construction of the dam, a project which will probably affect more than one province in the Far North and which has been announced by the premier of Quebec?

[Mr. Sharp.]

[*English*]

ENVIRONMENTAL POLLUTION

DISCUSSION WITH CHAIRMAN OF SPECIAL COMMITTEE ON EXPANDING TERMS OF REFERENCE

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the President of the Privy Council, as government House leader, whether, following the intervention of the Prime Minister on Friday, he has had the usual frank and fruitful discussion with the chairman of the Special Committee on Environmental Pollution with regard to expanding the terms of reference of that committee to include not only an examination of the situation on the Pacific coast along the TAPS route but the alternative route along the Mackenzie Valley and the problems affecting the aboriginal rights of the native people, and if not that committee has any other committee been selected?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I have not had an opportunity to discuss the matter with the Prime Minister since he made his answer in the House on Friday. I will look forward to that discussion with anticipation.

* * *

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—REQUEST FOR REPORT ON WASHINGTON MEETING OF UNITED STATES AND CANADIAN OFFICIALS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, since I am sure the Acting Prime Minister will agree that information is one of the things required with regard to the proposed TAPS route, will he assure the House that a report will be made to it this week as to the findings of the group of officials who are representing Canada in Washington at these discussions?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think I can undertake to make a report on their behalf.

* * *

NATURAL RESOURCES

STATUS OF NEGOTIATIONS WITH PROVINCES ON OFFSHORE MINERAL RIGHTS—INQUIRY AS TO LEGISLATION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct a question to the Acting Prime Minister. Would the Acting Prime Minister indicate whether any progress has been made in the negotiations with the provinces on the question of offshore mineral rights and, if so, would he indicate whether we may expect legislation on this matter prior to the end of this session?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I would like to take that question as notice.

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I wish to direct a supplementary question to the President of the Privy Council. In view of his interest in

this matter and in view of the fact that he is responsible for the programming of government business, can he tell the House whether legislation will be introduced before June on the question of offshore mineral rights?

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, at present there is no plan to introduce legislation on offshore mineral rights before the end of June.

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DRUGS

INQUIRY AS TO FINAL REPORT OF LE DAIN COMMISSION—INVESTIGATION OF NEWS LEAK INVOLVING INTERIM REPORT

Mr. Frank Howard (Skeena): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. Can he give the House any indication when we may expect the final report of the Le Dain commission to be made public?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I cannot, other than to indicate that I did have a conversation with Dean Le Dain and he indicated that his projection that it would be available some time during June has turned out to be premature. I am not expecting it until later.

Mr. Howard (Skeena): Mr. Speaker, my supplementary relates to a question I have had on the order paper since October 8, more than six months ago, relating to an investigation that I presume was conducted by the minister into a news leak of the interim report of the Le Dain Commission. I have raised this matter a number of times in the House, and on each occasion I have been promised that it would be looked into. Can the minister indicate when the report of that inquiry will be made public?

Mr. Munro: I will endeavour to have that question answered very shortly, Mr. Speaker.

* * *

[*Translation*]

COMPANY OF YOUNG CANADIANS

ALLEGED PARTICIPATION OF MEMBER IN SOCIAL CONTESTATION IN LAFLÈCHE

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Secretary of State.

Has he received a telegram from Laflèche Mayor Gerard Philips protesting against the behaviour of an official of the Company of Young Canadians, on the South Shore of Montreal, and, if so, can the minister say what position he intends to take concerning this matter?

Hon. Gérard Pelletier (Secretary of State): Indeed I have received a message, Mr. Speaker, and I met with the Director General of the Company of Young Canadians at noon today.

Inquiries of the Ministry

Mr. Godin: Mr. Speaker, I wish to ask the Secretary of State a supplementary question.

Can he tell us whether it is really the policy of the Company of Young Canadians to occupy lots and buildings not belonging to them merely in order to express what they call social dissension?

Mr. Pelletier: Mr. Speaker, the question does not seem very appropriate in view of the fact that out of several hundred people there was exactly one volunteer from the Company of Young Canadians and it seems to me that one person alone cannot occupy very much space.

* * *

[*English*]

HEALTH

FINANCING OF NURSING HOMES—INCLUSION ON AGENDA OF FEDEDAL-PROVINCIAL CONFERENCE—AMENDMENT OF ACT

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is directed to the Minister of National Health and Welfare. In his absence last Thursday his parliamentary secretary took it as notice. Will the financing of nursing home care be placed on the agenda of the upcoming federal-provincial conference, or is the government going to introduce an amendment to the Hospital Insurance and Diagnostic Services Act so that there will be federal assistance for nursing homes across the country?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, the Hospital Insurance and Diagnostic Services Act provides for cost sharing for the chronically ill and the convalescent, so that can be taken care of now. So far as custodial care in terms of nursing homes is concerned, there are no plans for cost sharing in that regard, nor have I had any request that it be placed on the agenda.

Mr. Ryan: Will the minister consider taking some initiative on the matter in the immediate future in view of the action taken by the province of Ontario?

Mr. Munro: Mr. Speaker, I would indicate that in terms of the discussions that are now going on between the federal government and the provinces on cost sharing across the whole health field, this matter is bound to arise.

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FAMILY ALLOWANCES

TIME OF INTRODUCTION OF AMENDING LEGISLATION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I wish to direct a question to the Minister of National Health and Welfare. Would the minister say whether he is prepared to introduce legislation to reform the family allowance system, and if so, when will this legislation be introduced and will it be introduced in time to be enacted by September?

Inquiries of the Ministry

Hon. John C. Munro (Minister of National Health and Welfare): Yes, Mr. Speaker, as I have announced on many occasions we do plan to introduce legislation to revise the family allowance system, and no, I do not anticipate that it will be enacted soon enough to be operative by September.

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FINANCE

SELECTIVE FISCAL AND MONETARY MEASURES TO STIMULATE ECONOMIES OF ATLANTIC PROVINCES

Mr. Walter C. Carter (St. John's West): My question is supplementary to that asked by my colleague the hon. member for St. John's East of the Minister of Finance. Does the government share the conclusion drawn by the Atlantic Provinces Economic Council that there will be a considerable time lag in the Atlantic area's participation in the over-all recovery of the Canadian economy in the next two years? If so, is the government considering selective fiscal and monetary measures to assist in stimulating the Atlantic region?

Mr. Speaker: Order, please. I trust the minister can reply to this question briefly. The question is rather wide in scope and normally it should be answered by way of a general statement. If the minister undertakes to reply briefly he will be given the floor.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would simply like to say that through the area development program we are materially helping the development of the Atlantic provinces vis-à-vis other areas of Canada, and that I am studying the report of the Atlantic Provinces Economic Council.

SUGGESTED MEETING WITH REPRESENTATIVES OF ATLANTIC PROVINCES ON SPECIAL BUDGET MEASURES TO IMPROVE ECONOMIES

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. In view of the very disheartening and pessimistic report of APEC on this matter, would the minister at this late date be prepared to have special meetings with representatives of the Atlantic provinces so they may suggest special measures in the budget that would deal with this problem that is so discouraging?

Hon. E. J. Benson (Minister of Finance): If I have requests from various people in Canada to meet with them before the budget I usually try to accommodate them, especially if they come from provincial governments.

CO-ORDINATION OF REGIONAL DEVELOPMENT AND MONETARY AND FISCAL POLICIES

Mr. James A. McGrath (St. John's East): This is by way of a related question but it is also a supplementary to the Minister of Regional Economic Expansion. In view of the statement made on national television last night by the honourable, distinguished and learned member for Duvernay to the effect—

[Mr. Marshall.]

Some hon. Members: Hear, hear!

Mr. McGrath: —that government economic policies were not properly co-ordinated within the government, and since this is especially so with respect to government regional development policies, can the minister assure the House that he will take steps to ensure that the policies of his department are properly co-ordinated with the monetary and fiscal policies of the government?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, I understand that the hon. member is passing the same judgment as he used to pass on the member for Duvernay when he was in the Post Office.

Some hon. Members: Order!

Mr. Marchand (Langelier): He is the same person. We can tell the House that our policies are co-ordinated.

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—INCREASE IN AMOUNT ALLOCATED—EXPLANATION OF REFUSALS

Mr. Lorne Nystrom (Yorkton-Melville): My question is directed to the Secretary of State. In view of the large number of applications coming in for the Opportunities for Youth program, can the minister tell the House whether he has been successful in obtaining more funds for that program?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Not yet, Mr. Speaker.

[*English*]

Mr. Nystrom: Can the minister state whether refusal notices have gone out to unsuccessful applicants and, if so, are these people told which criteria they failed to meet?

[*Translation*]

Mr. Pelletier: No, Mr. Speaker. As far as I know, all that has been sent out to date is a small percentage of good news to promotors of projects which have already been accepted.

[*English*]

OPPORTUNITIES FOR YOUTH PROGRAM—SUGGESTED TRANSFER OF FUNDS TO MILITIA TRAINING COURSE

Mr. A. D. Hales (Wellington): I have a supplementary question for the Secretary of State, Mr. Speaker. In view of the fact that the summer militia training programs have had to be cut in half because of lack of funds, and that this was a very successful program last year, would the minister consider transferring some of his departments funds in order that this course could be continued?

OPPORTUNITIES FOR YOUTH PROGRAM—NUMBER OF PROJECTS TO BE TURNED DOWN BECAUSE OF LACK OF FUNDS

Mr. Doug Rowland (Selkirk): I have a supplementary question for the Secretary of State, Mr. Speaker. Can the minister indicate to the House how many projects he anticipates will be turned down if he does not receive the increased funds he is asking for and what number of potential jobs is represented by these projects?

Mr. Speaker: Order, please. I think the hon. member's question is highly detailed. He is asking for the type of information which I suggest to him should not be sought at this time. In view of the importance of the matter the hon. member might ponder the advisability of having the matter debated at the time of adjournment.

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OFFICIAL LANGUAGES

BONNYVILLE, ALTA.—ACTION TO ALLEVIATE DISCORD—INVESTIGATION BY LANGUAGE COMMISSIONER

Mr. Paul Yewchuk (Athabasca): I should like to direct a question to the Secretary of State. In view of the racial strife which has developed in the town of Bonnyville, Alberta, over the implementation of certain segments of the Official Languages Act, is the minister planning any action to help alleviate this unhealthy situation?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, I am somewhat surprised that the hon. member should say the problem at Bonnyville resulted from application of the Official Languages Act. There is indeed some possibility that Bonnyville, like several other localities, might become a bilingual district, but it is not now part of a bilingual district since no bilingual district under the Official Languages Act has yet been established, and most probably none will be established until midsummer.

[*English*]

Mr. Yewchuk: In spite of the minister's answer there still is great difficulty, and I wonder whether he would be in favour of asking the language commissioner to investigate and report on the problem?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I should need to check the act on that point. I believe that any citizen has the right to ask for the help of the Official Languages Commissioner. I wonder, however, if the Secretary of State would not be the only citizen without the privilege of invoking this right.

[*English*]

Mr. Yewchuk: I would like clarification of the first part of the minister's answer. Can he indicate when he expects this will officially become a bilingual district?

Mr. Speaker: Order, please. This question should be placed on the order paper.

Inquiries of the Ministry

GRAIN

POSSIBLE INCLUSION OF RYE, FLAX AND RAPESEED UNDER WHEAT BOARD—MEANING OF STATEMENT BY MINISTER

Mr. A. P. Gleave (Saskatoon-Biggar): May I address a question to the minister in charge of the Wheat Board in view of his statement in a release dated April 21, 1971 referring to the decision to bring rye, flax and rapeseed under the Canadian Wheat Board. He said:

> This is a wrong interpretation and I can only say at this point that the government has taken no decisions to change the present marketing system for rapeseed or any other grain.

Does this mean that the minister is not going to proceed with the bill to amend the Canadian Wheat Board Act or that he is going to withdraw it? Do we put this interpretation on the statement he made?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, it would certainly be wrong to put that interpretation on the statement instead of the plain interpretation which is that the clause in the legislation is simply enabling legislation and that no decision has been made to make use of that power.

Mr. Gleave: May I then ask the minister, since he has stated he does not intend to put any teeth in this section, whether he is satisfied with the manner in which the rapeseed market has been operating?

Mr. Speaker: Order, please. I doubt whether the question as asked is in order. The hon. member has asked whether the minister is satisfied with a situation and in this respect the question is not acceptable.

POSSIBLE INCLUSION OF RYE, FLAX AND RAPESEED UNDER WHEAT BOARD—HOLDING OF PLEBISCITE

Mr. S. J. Korchinski (Mackenzie): A supplementary question. May I ask the minister whether, before he puts any teeth in the legislation, he proposes taking a plebiscite to give him the necessary teeth?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, I made it clear that no move would be taken in regard to the marketing system unless it were with the fullest support of the producers who are most directly involved. I have said nothing about the form of ascertaining that approval or support although I am conscious of the fact that the oilseeds marketing committee, in making its recommendations to me some months ago, did indicate that a plebiscite was an appropriate route.

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REGIONAL ECONOMIC EXPANSION

NEWFOUNDLAND—ACTION ON PROJECTS

Mr. Ambrose Hubert Peddle (Grand Falls-White Bay-Labrador): My question is directed to the Minister of

Regional Economic Expansion. Will the minister consult with the premier of Newfoundland and try to get the various DREE projects moving in the province of Newfoundland and Labrador and try to prevail upon the premier to stop hoarding up these projects in order to spring them at the propitious political moment in this provincial election year?

Mr. Speaker: Order, please.

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EXTERNAL AFFAIRS

FOREIGN AID—INQUIRY AS TO SHIFT IN POLICY AND ASSISTANCE TO NORTH VIET NAM

Mr. W. B. Nesbitt (Oxford): I have a question for the Secretary of State for External Affairs. Was Mr. Gérin-Lajoie stating government policy when he announced last weekend that—

Mr. Speaker: Order, please. The hon. member is asking whether an official of the government is stating government policy when he makes a statement. I have to tell the hon. member that a question asked in those terms is not in order. It has long been a recognized rule of the House that it is possible for an hon. member to ask the Prime Minister whether a statement made by a minister represents government policy, but I would suggest that if hon. members ask questions on whether statements made by public servants represent government policy we may get ourselves into difficulty. From day to day the whole question period might be used for that purpose. Would the hon. member rephrase the question?

Mr. Nesbitt: I realize Your Honour is quite right but I thought a question about a statement by such a senior official might be accepted. Is it government policy to have a large shift in emphasis in our foreign aid programs and, in particular, is it government policy now to advance foreign aid to North Viet Nam?

Hon. Mitchell Sharp (Secretary of State for External Affairs): No, Mr. Speaker, I am not aware of any proposals to grant aid to North Viet Nam.

GUYANA—STONING OF CANADIAN HIGH COMMISSIONER'S RESIDENCE

Mr. Heath Macquarrie (Hillsborough): I wish to direct my question to the Acting Prime Minister. Does the minister have any information to impart to the House and the country on the stoning of the residence of our ambassador in Guyana over the weekend and, in particular, has any communication come from the Guyanese government? Also, are the property and lives of Canadians in danger?

Hon. Mitchell Sharp (Secretary of State for External Affairs): I understand that our High Commissioner has been in touch with us and has said that he was completely unharmed. He said he got a little less sleep than usual.

[Mr. Peddle.]

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—ATLANTIC PROVINCES' UNEMPLOYMENT—ALLOCATION OF FUNDS ON BASIS OF NEED

Mr. Robert Muir (Cape Breton-The Sydneys): I wish to direct a question to the Secretary of State regarding the Opportunities for Youth program. In view of the recent information that projects worth $150 million had been submitted up to that time and as only $14.7 million is available, will the extremely high unemployment rate in the Atlantic provinces, the highest in the country, be taken into consideration when projects are approved?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, Mr. Speaker, it was always understood that the funds available for this program would be distributed in such a way as to provide greater help to those areas of the country where unemployment among the young is greater. And that is what we are doing at the present time with regard to the distribution of available funds.

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[*English*]

EXTERNAL AFFAIRS

DISCUSSION WITH UNITED STATES ON BUILDING OF DAMS ON PEMBINA RIVER

Mr. Jack Murta (Lisgar): I wish to direct a question to the Secretary of State for External Affairs of which I have given him notice. It concerns the building of a series of dams on the Pembina River as a joint effort by the Canadian and American governments. Is any action being contemplated to reintroduce discussions on what has turned out to be a very important matter?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker. I have an answer somewhere to this question. Perhaps I might be permitted to search for it.

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COMMUNICATIONS

ALLEGED SUPPRESSION OF FREE EXPRESSION OF VIEWS BY PRESS IN QUEBEC—SUGGESTED INVESTIGATION BY COMMITTEE OF HOUSE

Mr. Mark Rose (Fraser Valley West): My question is directed to either the government House leader or the Minister of Justice. It arises out of the conference of the news media, the press, over the past weekend and the controversy surrounding the question of the suppression of free expression of views in the province of Quebec put forward in a document entitled "Dossier F". Has the government considered having this general question studied by a parliamentary committee, perhaps the Standing Committee on Justice and Legal Affairs, so that these charges can be examined in some depth?

Hon. Allan J. MacEachen (President of the Privy Council): No, Mr. Speaker.

Mr. Rose: In this same general area, has the government considered the establishment of a press council for Canada or assisting in the establishment of such a council?

Mr. Andrew Brewin (Greenwood): I wish to direct a question to the Minister of Justice on the same subject. Because of the allegations of serious suppression of fundamental civil rights alleged by these journalists at their weekend meeting, is the minister or his department going to make an inquiry into these matters?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I would first like to study the question of whom these allegations were directed against. Having done that, I would perhaps be prepared to give an answer to the hon. member later.

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NATIONAL SECURITY

SUGGESTED APPEARANCE OF PRIME MINISTER, MINISTER OF JUSTICE, SECRETARY OF STATE AND PREMIER OF QUEBEC BEFORE SPECIAL JOINT COMMITTEE

Mr. G. W. Baldwin (Peace River): I would like to ask the government House leader, in whose name the motion for the establishment of the special joint committee appears, if he would discuss with the other party House leaders the matter of facilitating the appearance before that committee of the only true experts on apprehended insurrection—the Prime Minister, the Minister of Justice, the premier of Quebec and the Secretary of State who has written about it?

Mr. Speaker: Order, please.

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JUDGES ACT

PROPOSED AMENDMENT TO ESTABLISH JUDICIAL COUNCIL—POSSIBLE FIRING OF JUDGES

Mr. Eldon M. Woolliams (Calgary North): I wish to direct a question to the Minister of Justice arising out of a bill which has received first reading. Did the minister obtain or try to obtain the consent of all ten provincial Attorneys General or have any discussions with the Chief Justices of the various provinces with regard to setting up the judicial council and did the minister receive a recommendation from them that would make it possible for the minister or the cabinet to fire judges in this country?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, I completely reject the declaration in that question. I want to assure the hon. member that they were consulted with regard to the bill in so far as it related to the Canadian judicial commission. It was discussed with all ten provincial Attorneys General at the meeting we held in Halifax last summer and with all 22 Chief Justices in this country.

Mr. Woolliams: A supplementary question. In order to obtain information, I ask the minister whether it is a fact that if the council made a recommendation to him as Minister of Justice he could make a recommendation to the cabinet and a judge could be fired?

Inquiries of the Ministry

Mr. Turner (Ottawa-Carleton): Mr. Speaker, this is a matter for debate when the bill comes before the House. I want to say to the hon. member that the purpose of the Canadian judicial commission is to ensure that the separation of powers as between the executive and the judiciary is properly maintained.

Mr. Woolliams: That destroys their independence.

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EXTERNAL AFFAIRS

PROPOSED AMCHITKA UNDERGROUND NUCLEAR TESTS—REPRESENTATIONS TO UNITED STATES

Mr. Barry Mather (Surrey-White Rock): My question is for the Acting Prime Minister. Bearing in mind the severe earthquake registered in the north Pacific over the weekend and also the scheduled large-scale United States nuclear tests in the same general quake prone area, will the government renew its representations to Washington in opposition to these scheduled underground nuclear blasts?

Hon. Mitchell Sharp (Secretary of State for External Affairs): As the House is aware, Mr. Speaker, ever since the hon. member for Victoria raised this question we have been very concerned about it. We have made a number of representations, the last of which I tabled in the House. The President of the United States has promised to give very careful consideration to our representations. As long as this is the situation, I see very little point in renewing these representations. However, because this matter was raised in the House it will no doubt again be brought to the attention of the United States government.

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LABOUR RELATIONS

DISPUTE BETWEEN HUDSON BAY MINING AND SMELTING COMPANY AND EMPLOYEES—STATE OF NEGOTIATIONS

Mr. S. J. Korchinski (Mackenzie): My question is for the Minister of Labour. Can the minister offer any real encouragement with regard to the possible settlement of the strike involving the Hudson Bay Mining and Smelting Company and the union at Flin Flon?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, I understand that both parties will be resuming negotiations on Thursday in the presence of a federal mediator. This morning I met with officials of the Hudson Bay Mining Company. I feel their position is now flexible enough to at least give encouragement that a settlement may be available provided both parties approach the bargaining in the proper mood.

Mr. Korchinski: Does the minister now have a man on the scene at Flin Flon?

Mr. Mackasey: When the negotiations resume on Thursday there will be a representative of the Department of Labour on hand.

Senate and House of Commons Act

SOCIAL SECURITY

SUPPLYING OF INSURANCE NUMBERS OR FILES BY HEALTH AND WELFARE TO OTHER DEPARTMENTS OR AGENCIES

Mr. Mac T. McCutcheon (Lambton-Kent): I wish to direct my question to the Minister of Health and Welfare. Does the minister's department supply social insurance numbers or files on individuals to other departments of government or Crown agencies, particularly the Solicitor General's department or any agency responsible to the Solicitor General?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker, I do not believe so. I will check on it, but I am sure we do not.

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IMMIGRATION ACT

INQUIRY AS TO INTRODUCTION OF AMENDMENTS

Mr. John Gilbert (Broadview): My question is for the Minister of Manpower and Immigration. In view of the delays with regard to interviews and appeals concerning immigrants, when will the minister be introducing the legislation to amend the Immigration Act and regulations thereto? Will it be before the end of June?

Hon. Otto E. Lang (Minister of Manpower and Immigration): I expect so, Mr. Speaker.

Mr. Speaker: Orders of the day.

• (3:00 p.m.)

GOVERNMENT ORDERS

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.

The House resumed, from Friday, April 30, consideration of the motion of Mr. MacEachen that Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowance Act, and the act to make provisions for the retirement of members of the Senate, be read the second time and referred to the Standing Committee on Procedure and Organization.

Mr. John Burton (Regina East): Mr. Speaker, prior to the adjournment of this debate on Friday afternoon, I discussed a number of considerations involved in dealing with the question of remuneration for Members of Parliament. I related the considerations that I have to take into account as the member for Regina East in terms of the effect that this legislation will have on the people of Regina East, as well as the effect of other legislation which has been passed during the life of this Parliament.

I have in mind a letter I received from a farmer in my constituency enclosing a copy of a letter he had sent to the Minister of Manpower and Immigration (Mr. Lang) who is in charge of the Wheat Board. The farmer who wrote this letter has a small farm; he has a half-section of land, but it is highly productive land. He was affected by Operation Lift in 1970 and because of the small acreage he was cultivating, his operation did not leave much room for flexibility. He put 50 or 60 acres to wheat and seeded some coarse grains as well. He was fortunate enough to harvest a good crop, wheat yields as high as 40 bushels an acre. When it came to delivering the grain he found himself boxed in by the regulations set out in the Lift program; he encountered great difficulty in moving even minimal amounts of the grain he had produced in 1970. The minister in charge of the Wheat Board was good enough to send me a copy of the reply he had sent to this farmer. In effect, it said: We shall be introducing all sorts of programs shortly, and the stabilization plan will not hurt small farmers. The minister also indicated he did not believe Operation Lift had done this particular farmer any harm at all.

I am speaking, now, from memory but I believe this man had to live on a cash income of some $3,400 during 1970, out of which he had to pay his operating expenses as well as buy food and clothing for his family. This is shameful. Government programs have adversely affected people like this man. For this and many other reasons I intend to oppose the bill. I would oppose it even if it were designed to take effect only after the next federal election. I say this because I believe a new approach is needed to this whole matter.

Some question has been raised whether or not members should accept this money. That is academic. I want to inform the House that I shall take steps to ensure that whatever extra amount may accrue to me will not result in personal financial gain for myself. This will apply, as far as I am concerned, for the balance of the life of this Parliament. I do not accept arguments that it is up to members to refuse to accept part of the funds available to them. Whatever decision is reached on this matter by the majority of the House of Commons, each member should be treated equally. I am certainly not willing to accept any proposition that my services are worth any less than those of other members; the people of Regina East will pass judgment on that in good time. My situation is not related to any contractual concept involving the life of this Parliament. I have said for some time that I do not think there should be any increase in the indemnity of members during the life of this Parliament. This statement was related to the present level of pay, the general situation of hon. members and the general nature of government policies as they have affected people in my constituency and throughout Canada.

I am unhappy about some of the references which have been made to the percentage increase involved in the changes proposed by the legislation before us. The effect is unfortunate because it tends to minimize the real significance of the changes. Thinking in terms of percentage increases has the effect of accentuating inequities in our society. For a man living on $2,000 a year, 6 per cent is far different from 6 per cent to a man with an income of $12,000 a year or more. A different approach is needed. Many companies and trade unions view such

changes in terms of percentage increase rather than on a more equitable basis. They are going to have to change their approach.

The Minister of Labour (Mr. Mackasey) ought to be unhappy about some of the changes proposed. I draw attention to the fact that members of the other place will receive the same increase in indemnity as is proposed for Members of the House of Commons. This is in direct conflict with the principle the minister put forward during the debate on the Labour (Standards) Code. He embodied in that legislation the concept of equal pay for equal work. By no stretch of the imagination could it be argued that the work involved in being a member of the other place compares with the work involved in being a member of this chamber.

This is poor legislation, and its introduction is untimely. It does not reflect the type of thinking needed to deal with the problems of society today or of tomorrow. Consequently, I intend to oppose the bill.

Mr. Douglas A. Hogarth (New Westminster): Mr. Speaker, I have had occasion to make some painful speeches before, but they have always been far more painful to my audiences than to me. Today, I find the situation reversed. This speech hurts me more than anyone who may be listening.

I am sorry I was not in the House last week to speak during the early part of this debate since it might appear I was waiting to see which way the political wind was blowing. That is not so. I might be said to find myself in a position similar to that in which Jack Benny found himself when confronted with a burglar carrying a gun. The burglar said: Your money or your life. And then there were five minutes of dead air on the radio.

Without commenting on the position other members or the government have taken in connection with this matter, I would like to go on record as saying that I cannot accept any increase in my salary as a Member of Parliament during the course of the present Parliament. As far as I am concerned, having made a commitment to my constituents long before the government decided its policy in respect of this issue, I am not in a position to accept the increment. To my mind, the only way in which I can dispose of the increase, should it be granted, would be to make a gift back to the Crown and pray to God it is not used in another attempt to refit the *Bonaventure*. I cannot see that it would be possible to accept the money, and then make donations to charity without deriving some benefit politically or personally from such a course. My position is that the commitment I made to my constituents prevents me from voting in favour of this bill. Accordingly, I shall abstain throughout. In conclusion, I can only say: Thanks, but no, and—ouch!

[*Translation*]

Mr. Henry Latulippe (Compton): Mr. Speaker, I am glad to have this opportunity to say a few words about Bill C-242.

Mr. Speaker, first of all, I should like to suggest to this House that the bill is untimely, even though many hon. members certainly need a salary increase. In fact, the cost of living has increased for them as well as for others, and the expenses in their ridings are getting higher and higher. Consequently, the parliamentary allowance, decent as it is, is not sufficient to allow them to provide people with the services they need, and it is not very important if we take into account members' expenses, both in this House and in their ridings.

But, while I have a great deal of sympathy for those who need a salary increase—I do myself—I find it most unfortunate that 75 per cent of the citizens in rural and urban ridings have to tighten their belts so terribly, because they are far from receiving a suitable income.

Therefore, I must say I find it impossible to support this bill because there is still too much to do to balance the economy, and I believe that we have not taken the necessary steps to enable everyone to have a fair share of the goods and services available in our society. I blame hon. members for not having discharged their duties in order to reach that goal.

In such circumstances, where the economy is crumbling, where it has lost its way, I believe that we do not deserve a higher allowance.

• (3:10 p.m.)

A salary increase for us would be justified and the population would be only too happy to accept it had we given them a chance to live reasonably well.

Because of present conditions, we are only aware of inflation, poverty, indebtedness and tax increases. Some 45 per cent of our fellow citizens are living on social welfare; they are living at somebody else's expense. We are stealing from one class of people to provide for the needs of another. There is nothing there to justify whatever the members are now asking for.

If we had a prosperous economy, our population would also be prosperous and indeed we could be. We all can get along with the salary we are now being paid. We can spend less and do without a few luxuries, as other people do, if we have not enough money.

The people do not ask for promises, wishes, words, laws, heaps of white books, slogans or inquiries, but a just distribution of the magnificent annual production of Canada, according to the needs of all citizens. This is not what exists now.

Members of Parliament have not done their duty and their work, for 34 commissions have been created since 1957. One was set up to determine whether there exists any poverty in Canada. We know that poverty exists in Canada, but do we know what to do to eliminate it? Have we put an end to poverty? These inquiries were financed with the money that would have been used to increase parliamentary allowances. If we had done our work, we would not have given all these millions to investigators. The reports of all these commissions of inquiry gather dust on shelves and in the long run all this amounts to nothing since one cannot implement the good recommendations they contain. Some are good, others are bad. Several good ones should have been implemented. We knew beforehand what they were. We did

not need all these enquiries to know. This is why I say to my colleagues that we have not discharged our responsibilities. We are blaming other bodies for the shortcomings and the ill-effects of the system, to try and get off the hook and we say that it is not us but the commissions of enquiry which make the decisions.

For instance, there was the Glassco Commission on government organization which cost $2,791,000. The Carter Commission cost $3,350,000, the Commission on Pilotage, $1,500,000. The Royal Commission on Bilingualism and Biculturalism which cost $9 million. This was one of the most expensive commissions. Let us mention also the Royal Commission on farm equipment which cost $1,500,000 and the Royal Commission on the Status of Women in Canada whose tag price read $1,900,000. We knew that women were not recognized according to their real value. We did not need all these commissions and that is one of the reasons why we do not deserve an increase in our allowance. In fact we gave to the members of those commissions the money which was earmarked for our increase. We took guys who already had fantastic salaries, who were very well paid and we gave them in addition a lot of money. Doing this we are not assuming our responsibilities. Members of Parliament are in the House to do their job.

It seems to me that we are quite as competent. Among hon. members there are economists and lawyers. There are quite a few lawyers here.

We have accountants among hon. members, but it is not enough. We have to establish other committees and appoint other allegedly more competent individuals. However, since we refused to assume our responsibilities, we do not deserve that rase, even if we need it. Let us do our job and we could then ask for a raise. The people would then be pleased to approve it.

We are asking for better salaries than those of the people, while they must tighten their belts. Poverty is spreading and the number of poor people is increasing at an alarming rate in spite of all kinds of inquiries and recommendations. Family allowances have been at the same level since 1945. Income taxes have increased disheartenigly. Canadians have lost confidence because of the record rise of the cost of living.

The bill also provides for an increase in the salary scale of a great many public servants, and it is unacceptable to increase our allowances in such an unbalanced economy.

If it were only a matter of increasing the allowance of members of Parliament, the proposal might be acceptable, but we take this opportunity to increase the salaries of public servants who should also tighten their belts because, considering the present situation, they are getting a decent income.

We should oppose this increase members of Parliament have been asking for a long time. True, many could use it, but as the economic situation is unhealthy, let us also tighten our belts and, in every possible way, remedy the economic situation in every sector of our society; then, we can be justified in asking for increased allowances.

[Mr. Latulippe.]

With higher unemployment, accumulated deficits, 40 per cent of the people on welfare, the frightful increase in debts and taxes, the right to live is frustrated. The young cannot even find a roof. People cannot build a house without paying "a tribute to Ceasar" and they pay their house five or six times over before really owning it.

Mr. Speaker, the members of this House have accepted to remove the ceiling on interest rates and we are now feeling the consequences of this decision. Instead of taking concrete action in favour of the people, we are going against their interests, we exploit people and become accessories to their undeserved poverty. I stand guilty as all others here, but I should not accuse myself because I have always done everything I could in the past to have our cripple economy corrected.

In a civilized society, the first right of every citizen is the right to live. This is the first right which should be protected by law. It is a matter of elementary justice to all citizens but when they are no longer able to build their own home, can we say that they have access to justice and the safeguards of human dignity? These laws and regulations work instead against the individual's well-being and they can only be used to exploit the individual.

• (3:20 p.m.)

Production of goods and services is meant for adults, and should be divided into consumption and capitalization. Excessive capitalization has been made possible, but not so consumption. We produce a lot more than we consume; we capitalize 25 times more than we ought to. And all this is realized by members who have not done their job.

There is the reason for a well balanced economy, through simple means geared to economic facts and realities. We have not adjusted our economy to the physical realities and possibilities of this country. We have worked against that; we have completely unbalanced the economy. So, we have not done our duty. We should legislate so that goods and services satisfy the needs of the people, and if we achieved this, citizens would be glad to pay their servants adequately. Services are not appropriate to needs. Instead of helping people, of being of service to them, huge developments exploit them. This is where we have generally directed our efforts and we are getting the results that we deserve.

Nations must develop an awareness of national problems and of conditions necessary to their solution. Have we done it? Problems must be defined and localized. We have problems which were defined and localized by commissions of all kinds. All their wise recommendations which we should have proposed ourselves but had proposed by others, we have never put into practice.

We have not done our job. Agencies produced reports and carried out investigations of all kinds to pinpoint poverty and unemployment and we are still worse off than ever. Malaise and dissatisfaction prevail in every walk of life. Members of Parliament and ministers do not seem prepared to face their responsibilities.

We do not deserve an increase of our indemnity because we have not done our job, because we are paltry servants who take advantage of our employers, vilipend them, throw them into the arms of socialism, drive them to bankruptcy, anarchy, rebellion and destruction. Rebellion is rife, unions are demanding all kinds of impossible things because the government has not done its job. We are being penalized because civil servants and members of Parliament have been remiss, have not faced their responsibilities.

Mr. Speaker, there are extremely serious concerns for those whose responsibility it is to govern. Hon. members do not appear to be fulfilling their responsibilities. Several seem to find the matter amusing, and the responsibilities are not being assumed.

The policy for individual freedom and equal opportunities remains far behind the kind of social justice advocated under the slogan: "Let us establish a just society!" A large number of Canadians are living in slums. What about the taxes levied on building materials and the excessively high rates of interest which increase the cost of living?

Our just society, through its taxes and its housing policy, deprives the individual of his rights to be a property-owner. We ourselves have organized such a diabolical system, let us suffer the consequences! In the absence of any proof to the contrary, Canadians have the right to refuse to forgive us.

If we do not assume the very serious responsibilities that are ours, we suffer the direct consequences of our inaction in not providing the people with a guaranteed personal income and with sufficient and adequate purchasing power, having regard to our production. In 1970, the gross national product reached $90 billion and consumption $50 billion. Notwithstanding a capitalization of $36 billion, 50 per cent of Canadians could not participate in the national production.

Now, were we to capitalize $36 billion in 1971, we could easily distribute among the people $1 billion a month under the form of a compensated discount on prices or a national dividend in order to put in their hands the purchasing power which is necessary to boost the economy.

Instead, this government is content with creating further fiscal restraint, imposing taxes to those whose pockets are already empty, those people who are no longer able to pay taxes. Yet the government lets our major financial institutions accumulate reserves. Have government members done their job? I have done mine because I have been talking about this for a long time.

Nothing is balanced. Can some members suggest that the economy of Canada is balanced and that this justifies an increase in salary for public servants?

There would be many things to do and say. We have often said these things, but the Conservatives and the Liberals remain silent. They seem to think that everything is all right, that everything is going smoothly, while in effect nothing is working right. Our economy is falling off as it has never done before. It is "jammed"; every piece of its machinery is at a standstill. Industry is operating at only a quarter of its capacity. Plants are all closing up; almost all industries, generally speaking, are on the verge of bankruptcy. Some 50 per cent of Canada's lesser industries have become bankrupt; the same could be said of half of our retail outlets. And we hear some people say that the economy is faring pretty well, that everything is getting along fine, that the Liberal party is the party of the future, and so is the Progressive Conservative Party. The economy is being gradually thrown out of balance.

In this respect, I would like to quote from an article published in *La Presse* on Thursday, April 29, 1971:

THE COST OF LIVING

The steadfast rise in the cost of living is providing economists with interesting topics for arguments and ought to give terrible headaches to any serious politician.

Are there still serious politicians? Where are they? Let them stand up and prove it once and for all to the population. I continue to quote:

Let us not take somebody else's place. Did the federal government contribute to the unemployment increase in seeking to fight inflation? Did the Prices and Incomes Commission really fail in its attempt to convince labour and management to curb wage demands and profits? Is the consumer price index a valid criterion of national economic health? All those are questions for experts—who, besides, are far from unanimity in their answers—but there is no evidence on which to base a reassuring opinion.

The commission chaired by Mr. John Young is still making commendable efforts to prevent the effects of inflation by a close control over increases in wages and prices of products offered to Canadian consumers.

• (3:30 p.m.)

In spite of all that, recent figures published by the Dominion Bureau of Statistics make us think. Retail prices have increased by 1.2 per cent during the first quarter of 1971, the highest increase in the last ten years. Everything costs more: food, clothing, housing, travel, leisure. This means that the dollar is being devaluated and with the same income, a family can buy fewer products . . . or go further into debt. This statement, though rather short, gives a true picture of every day life, does it not?

The car owner who pays 3 cents more for a gallon of gas, the mother of a family who pays one cent more for a loaf of bread, the Montrealer who will pay $20 to $50 more a year for the same amount of water he normally consumes does not have the time any more to ask himself where the evil is coming from: he just pays. In addition to these increases must be added school taxes, banks' service charges, railway tariffs. Those who have to pay certainly look for solutions to their financial troubles elsewhere than in their bottom drawers. Their reaction is normal: as they are unwilling or unable to live on a lower scale, they are ready to demand salary increases which will allow them to take advantage of services or to buy products which are offered at higher prices. And who can blame them for wanting in their turn to enjoy the advantages of free enterprise?

Governments that increase taxes, companies that raise prices always put forward sound arguments: expenses cannot be reduced, services have to be improved, production costs are going up, salaries have become astronomical. Let us forget about governments, which are not long in giving explanations when votes are at stake. On the other hand, one may wonder whether some firms are not too prone to hold their employees responsible for increases in the price of their products, several of which are essential. Because those employees are also consumers who draw from their work their main if not their only means of subsistence. This increase in prices and wages is surely a vicious circle. Who will venture to call upon the small wage-earner to put an end to it?

It is enough to justify increased allowances? Far from it. I continue.

> From that point of view, substantially increased salaries for federal members would have an appreciable psychological effect just before a round of negotiations. Considering their increasing responsibilities and the fact that many among them are not rich, this raise is understandable. It is out of the question to suggest to the representatives of the people to be hypocritical and to find in shady activities the money they need to maintain a proper standing.
>
> And freed from the first concern of so many Canadians, could they not coolly find a solution to inflation and unemployment?

That is what we have to work out. Had we solved that problem, we would be justified in seeking what we are asking. But we are far from having solved it. We have aggravated it, and if we increase the allowances of certain officials and representatives of the government, we will again create new headaches for the population. We will have to increase the cost of living, and thus boost taxes. Such is the administration we have. If we are unable to do better, instead of asking for an increase in our allowances, let us resign and leave our job to others whose philosophy or techniques are more sophisticated, more consistent with the situation. Then, we will perhaps be able to correct our limping economy which is no longer operating, and which must absolutely be made to run smoothly.

[*English*]

Mr. Ian Wahn (St. Paul's): Mr. Speaker, the Beaupré committee which was set up to study members' pay, pointed out that there had been no adjustment in members' pay since 1963 and that an increase is overdue. It is not necessary for me to review all the well known arguments or to state the obvious. I simply say I strongly support the basic principles set out in the Beaupré report. It is for that very reason that I am concerned with one aspect of the bill now before us, the $8,000 expense allowance. Certainly, the amount is not excessive, particularly for members who must themselves bear the expense of maintaining and staffing a riding office to serve their constituents. But I think it is important that we accept the principle set out in the Beaupré report that any expense allowance be for the purpose of paying expenses actually incurred by members in connection with their duties as Members of Parliament rather than as a tax-free allowance in lieu of expenses.

• (3:40 p.m.)

I am fully aware that reimbursable and accountable expense accounts have some disadvantages. Indeed, they are sometimes popularly referred to as swindle sheets. A reasonable allowance in lieu of expenses is free of that particular disadvantage. But I do not think that argument is conclusive or even very convincing. Surely, if we argue against the Beaupré recommendation of payment for actual expenses we face a dilemma; if we actually spend $8,000 in connection with our duties, the Beaupré formula would allow us to be reimbursed. But if we do not spend the $8,000 a year in expenses for carrying out our duties as Members of Parliament, then we are getting a tax free allowance not available to any other taxpayers. The dilemma is complete.

[Mr. Latulippe.]

I understand the argument has been advanced that it would not be appropriate to force Members of Parliament to submit expense accounts for approval or for checking by public officials. This is somewhat similar to an argument which has been made with almost equal eloquence throughout the years by businessmen and professional men who often complain bitterly, to the accompaniment of appropriate profanities, that these so-and-so public servants have no knowledge of running a business or of carrying on a profession and that they have never had the experience of "meeting a payroll". This argument has been made frequently but it has never prevailed, as the Minister of National Revenue (Mr. Gray) knows very well. In any event, if there is a problem here, I suggest that it could easily be met by having members submit their expense accounts to officials of the House, possibly acting under the supervision of Mr. Speaker or his deputy.

My point is simply that we are entitled to be reinbursed for our actual expenses, reasonably incurred in carrying out our duties as Member of Parliament, but anything in the nature of a tax free allowance in lieu of expenses is undesirable in principle. This was the finding of the Beaupré committee, but it was also, according to my recollection, the finding of the Carter commission and of the Smith commission in Ontario. All these commissions which investigated the problem very carefully came to the same conclusion. Apparently they felt that a tax free allowance in lieu of expenses for Members of Parliament would be discriminatory as compared with other taxpayers who did not have the same privilege.

It is also discriminatory as between various Members of Parliament. It is much more advantageous to members who live in Ottawa than to members who live out of Ottawa. It is more advantageous to members who do not incur much expense in serving their constituencies than to members who have ridings which require the expenditure of a great deal of money in order that the constituents may be served. It is also much more advantageous to members who have other income and are subject to a high income tax rate as compared with members who have only their parliamentary pay on which to live.

As members of this House, we hold a position of trust, and under our existing law, unfortunately, we are required to fix our own pay. Every time an adjustment is made, we are in a position where our duty conflicts with our interest. In such circumstances we must lean over backward. Not only must we not take advantage of the position, but we must also make it quite apparent in the legislation that we are not taking advantage of the position. Although annual expenses of $8,000 may be quite reasonable for the job, it will appear that members are taking advantage of their position if they are given a tax free allowance rather than merely reimbursed for expenses actually incurred.

Under the existing arrangement, we have been often accused of having a salary of $18,000; in fact, we are almost invariably accused of having a salary of $18,000 and of giving ourselves $6,000 of that tax free. Already since this bill has been introduced, we are being accused

of proposing for ourselves a salary of $26,000, of which $8,000 is tax free. There is no reason at all why we should lay ourselves open to this type of misrepresentation. It is imperative, therefore, that the legislation should make it entirely clear that we are entitled to have our expenses actually incurred in the course of our duties reimbursed, but that we are not giving ourselves anything in the nature of a tax free allowance which is not available to other taxpayers who are just as heavily burdened as we are.

I realize that the point I have made is not new, that it must have been considered by the cabinet and must have been rejected by the cabinet before the present bill was introduced. This poses of course the difficult question as to how to vote on second reading. I understand that the bill is going to be referred to a parliamentary committee and that changes in detail such as I have mentioned can be made before that committee. This may be a vain hope, but there has been a refreshing degree of independence shown from time to time by some of our parliamentary committees. I hope that the parliamentary committee to which this bill is referred will show a degree of independence, particularly in view of the nature of the legislation. I hope the chairman and the vice chairman, and all the members will adopt an objective and independent point of view. There is little use referring a bill such as this to a committee if members, when they consider it, merely rubber stamp views laid down for them by their party.

So, I hope that this bill will be given careful and independent consideration by a parliamentary committee. I will vote to send it to that committee, while reserving my right to urge as strongly as I can before that committee that the provisions for the tax free allowance be changed to make it entirely clear that members are only entitled to be reimbursed for expenses actually incurred by them in connection with their duties.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): The debate on Bill C-242 to provide increased pay and allowances for parliamentarians has been conducted on a fairly high level, and I think this has been partly due to the very moderate and restrained manner in which the President of the Privy Council (Mr. MacEachen) introduced this piece of legislation. It would be very easy, in a debate like this, for hon. members to descend into mutual recriminations and an imputation of motives. It would be very easy for those who are supporting the bill to be accused of being greedy moneygrabbers and those who are opposed to the bill of being hypocrites because they know that if the bill passes they will get the money and, therefore, they are merely grandstanding. Fortunately, there has been very little of this, except in a few isolated instances.

I begin by conceding to those who are supporting this bill that they are sincere in believing this bill is in the best interests of Parliament. I hope they will concede to those of us who are opposing the bill the same degree of sincerity. Those on the government side who may question our sincerity can test it, either by allowing the bill to drop, or when the bill is before the Standing Committee on Procedure and Organization bringing in some of the changes which I am going to suggest in the course of my remarks.

• (3:50 p.m.)

The first thing which is apparent from this debate, Mr. Speaker, is that we very much need some better method of dealing with the periodic adjustment of members' salaries and allowances. Almost all members who have spoken have indicated that this is a very unpleasant task. The President of the Privy Council (Mr. MacEachen) himself said on April 29, as recorded at page 5355 of *Hansard:*

> This is a difficult situation and makes the advocacy of this particular bill not the most pleasant task for a minister like myself, who usually has come into the House in support of measures affecting a broad class of people other than Members of Parliament.

I think that all of us feel the same way, that it is humiliating and embarrassing that periodically we should have to go through this soul-searching when determining what we should be paid out of the public purse. I had hoped that the government, which started out three years ago to break some new trails, would have brought some technique before the House by which it would be unnecessary to deal with parliamentary pay and allowances in the House of Commons itself. The government has not done so. It referred the matter to the Beaupré committee, but they have completely failed to deal with it. One page 43 of their report, paragraph 143, we find the following:

> Our terms of reference invite us to suggest a procedure for the periodic review of financial arrangements for parliamentarians. In view of the great emphasis we have placed on the evolving role of the individual member, we do not see fit to recommend that salaries be tied to changes in certain economic indicators such as the Consumer Price Index, Gross National Expenditure or the Industrial Composite of Weekly Wages and salaries. Further, we do not accept the proposal that parliamentary salaries should be related to the salaries that the government establishes for the executive category in the Public Service.

The committee does not give its reasons for believing that salaries could not be tied to some category in the public service. I certainly would have been interested in knowing why it rejected that idea because it seems to me it has some merit, although there may be obstacles to it of which I am not aware.

Paragraph 145 of the Beaupré committee report reads:

> Primarily for the reasons outlined in the previous two paragraphs, we recommend that another advisory committee, similar to the present one, be established within two years of the convening of the 29th Parliament. We also recommend that the government concurrently appoint an all-party committee from both Houses to act in an advisory role to the proposed review committee. We are of the opinion that it would be more appropriate for the next committee to consider a method for the future review of salaries, allowances, services and facilities for members of parliament.

Well, Mr. Speaker, that does not help us very much. I am hopeful that when this bill is before the Committee on Procedure and Organization some thought will be given to this matter. I think there are two or three

possibilities. One is, as I have already suggested, that the salaries and allowances of members could be tied to some category in the public service. Another is that some independent body outside of Parliament might periodically review parliamentary remuneration.

I know that in one province a committee was set up, headed by the Chief Justice of the province, and its recommendations were accepted without question, not only by the members of the legislature but by the public generally. It may be that the President of the Exchequer Court could head such a committee, or that the Chief Justice of Canada could head such a committee. I think we ought to apply ourselves at this time to the problem of how we can remove from the House of Commons this responsibility which all of us find most distasteful.

I am opposed to this legislation for two main reasons. The first is that the proposed pay hike comes at an inopportune time when the government is asking the people of Canada to tighten their belts. For three years, the government has been following a policy of austerity. The government has frozen old age security pensions at $80. Sometimes people say to us, with some scorn in their voices, that we raised the old age pension by 42 cents. We did worse than that, Mr. Speaker. We actually reduced the pension by $1.17, an amount by which it would have increased on January 1, 1971, if we had left the legislation alone. We did even worse than that. We removed the 2 per cent cost of living bonus which the old age security pensioners had been receiving. The result is that they are the only group of pensioners who do not have a cost of living bonus.

In spite of what the Prime Minister (Mr. Trudeau) said last December, to the effect that inflation no longer exists in Canada, unfortunately it still exists in this country. The increase in the cost of living for the first three months of this year was the greatest in the past decade. If the cost of living continues to rise the $80 a month old age security pension will steadily diminish in terms of what it will buy in the stores. The government and many of its officials are calling for restraint by wage and salary earners. Dr. John Young, the Chairman of the Prices and Incomes Commission, is asking that wage earners keep their demands for increases this year down to somewhere around 4 per cent or 5 per cent. Mr. Louis Rasminsky, the Governor of the Bank of Canada, has gone one better. He suggests that salaries and wages ought to be reduced in order to wage war against inflation. I ask the members of this House what sort of image will Parliament create if we are asking wage and salary earners to restrain their demands while at the same time we endorse an increase of around 44 per cent in the remuneration which parliamentarians receive?

How much credibility will the government have when it makes appeals, as it undoubtedly will in the next few months, to organized labour to be more moderate in their demands? And what about the unorganized workers? Two thirds of the workers of this country do not belong to trade unions, and they have no economic leverage to off-set inflation. These days many people are saying that parliamentarians are out of touch with reality, that Members of Parliament live in an ivory tower, that we are untouched by the woes and tensions which beset the average citizen. I ask members of this House to what extent will the passage of this bill disabuse their minds of this unfortunate attitude?

• (4:00 p.m.)

I think we must also look at this measure in the light of that great section of the Canadian people who are poor and disadvantaged. About 100 years ago Benjamin Disraeli wrote a book about "The Other England" in which he referred to the two nations, the nation of the well-to-do and the nation of the poor. In the same way, Mr. Speaker, there are two Canadas. There is the Canada that we often tend to forget. The Economic Council of Canada, the National Council of Welfare and other bodies have pointed out that between 20 per cent and 30 per cent of the Canadian people live below the poverty line. In other words, there are between four and six million Canadians who do not enjoy even a decent standard of living. The National Council of Welfare has pointed out that of this number some one and a half million of the poor are members of families which have no employable member or which are fatherless because of death, desertion or divorce. There are another half million members of families of which the breadwinner has no job, and there are between two and four million people who are employed but earning less than is required to meet the needs of their families and themselves. When we add to this total the aged, the veteran pensioners—with whom we have been most niggardly in my opinion—and the primary producers, such as small farmers and fishermen, particularly from the east coast, it means that probably one-third of the population of this country lives either in a state of poverty or in a state of deprivation.

I am not suggesting for a moment, Mr. Speaker, that MP's salaries can be set on the basis of the income of the poor, but I do suggest that until we take steps to remedy their condition we present a poor image in dealing with our own income. What has the government done? The government's so-called welfare program and the white paper on income security are predicated mainly on redistributing poverty, taking from the not-so-poor in order to give minimum aid to those who are very poor. The government has never recognized the need for a redistribution of income as a means if stimulating effective economic demand. We spend hundreds of millions of dollars in assisting large corporations instead of putting purchasing power into the pockets of potential buyers. It is noteworthy that the Canadian Labour Congress has been urging the government to set up a guaranteed annual income. The last report of the National Council of Welfare indicates that a guaranteed annual income is not only desirable but is economically possible and feasible. I am convinced, Mr. Speaker, that eventually in Canada we will be compelled to set up a guaranteed annual income, if not on humanitarian grounds at least on economic grounds, because automation is steadily eroding job opportunities.

The Chairman of the Economic Council of Canada, Dr. Arthur Smith, has said that even if we can increase our rate of growth to 6.75 per cent in constant dollars, it will

take three years to reduce unemployment to 4 per cent. I do not believe anybody in this House would accept 4 per cent as a reasonable level of unemployment. The reason for that, Mr. Speaker, is that economic recovery may cure some of the cyclical unemployment but we will find that structural unemployment, because of cybernation and automation, will still be with us. Much of the money the government is granting to large corporations is going into equipment which will require fewer employees, and the problem of the future is how to provide income for the many individuals for whom there is no place in the work force.

If Parliament had dealt effectively with the problems I have outlined, Mr. Speaker, we as parliamentarians might, in good conscience, have turned our attention to our personal financial problems. Since we have failed to do so, I am afraid we present a poor image to the country when we do for ourselves what we have failed to do for the much more needy groups in our society.

My first reason for opposing this pay hike, therefore, is that I think this is the wrong time to pass such legislation. In view of the policy of austerity which the government has been pursuing this is not the time to substantially increase the remuneration for parliamentarians.

My second objection to this legislation arises out of the fact that I am completely opposed to the $8,000 tax free allowance. One of the things that pleased me about the report of the Beaupré committee was that it suggested doing away with the tax free allowance. I think much of the complaint by the general public is not so much against increasing the remuneration of Members of Parliament, providing it is a modest increase, but rather it is with the fact that Members of Parliament are being given a privilege not enjoyed by any other group in our society, namely a stated sum of money which is exempt from income tax. This is a special privilege not enjoyed by other professional groups such as doctors, lawyers, or dentists nor is it enjoyed by self-employed persons. It is a special privilege which parliamentarians have given to themselves. Governments have usually been chary of tax exemptions.

Under the Income Tax Act, the tax exemption is $2,000 for a married couple and $1,000 for a single person and, in my opinion, this is a ridiculous situation. Prior to World War II, when a dollar had two or three times the purchasing power of a dollar today, the exemption under the Income Tax Act was $3,000 for a married couple and $1,500 for a single person. We have kept these very low exemptions with the result that even old age pensioners who get the supplementary income find themselves paying taxes. I think, Mr. Speaker, that we ought to abolish, as the Beaupré committee report recommended, the granting of any tax-exempt sum of money to Members of Parliament. If that were done, I think a small increase in the $12,000 indemnity which we now receive would be justified.

• (4:10 p.m.)

I think the figure recommended by Beaupré is too high. A modest increase would be justified, but I do not think we could justify continuing to have a tax free allowance of $8,000, $6,000 or any other figure, particularly in view of the fact that the Beaupré committee recommended its removal. The Beaupré committee's recommendation was much more sensible. They suggested that Members of Parliament be allowed certain expenses which would permit them to service their constituencies, but only that which they had spent and could prove by the submission of vouchers. This would have been fair for two reasons. It would have put us in the same position as other groups in society. Doctors, lawyers, dentists and others who hire a secretary and an office are allowed that expense. Firms are allowed to reimburse travelling salesmen, book agents and insurance agents for their travelling and out of pocket expenses provided they supply vouchers. We would be in the same category as other taxpayers. I think this procedure would commend itself to the people of Canada.

It would also be fair as between the various Members of Parliament. There are great differences in constituencies. There is a great deal of difference in the cost of looking after the interests of constituencies in the rural areas, such as those represented by the hon. member for Comox-Alberni (Mr. Barnett), the hon. member for Coast Chilcotin (Mr. St. Pierre), the hon. member for Churchill (Mr. Simpson) and the hon. member for Skeena (Mr. Howard). These constituencies cover several thousand square miles. The communities are inaccessible and can only be reached by boat or chartered plane. There is a great difference in the cost of servicing that type of constituency and an urban constituency that may only be one or two miles square. There are expenses in urban constituencies, but they are of a different kind. The only way to make it fair to all concerned would be to pay for the actual expenses incurred.

The same is true with reference to the distance that a member's constituency is from Ottawa. There is a great deal of difference between looking after a constituency where you would have long distances to travel, two homes to maintain, two light bills, two telephone bills and two cars and a constituency that can be serviced from Ottawa with no great difficulty. In fact, members in Ottawa can service their constituency from their homes and the Parliament Buildings. I do not say that to criticize any member or any group of members. I simply ask, why should we treat the expenses alike when the costs of servicing the constituencies are not alike? Why not reimburse the members for what they actually spend in servicing their constituencies?

The Beaupré committee report recommended that the expense of travelling within the constituency, providing office accommodation and some staff in the constituency ought to be covered. Most of the cabinet ministers I know are able to maintain an office and staff in their constituencies. I do not complain about that. I think they need it. The members also need it. The constituents would be better served if there were an office to which they could send their complaints, where the member could meet them and where there would be staff to arrange for interviews with members when they are in the constituencies over a weekend or during a recess.

There should be provision, up to a maximum, for sending out reprints of *Hansard* so that constituents are aware of the position which their members take on various questions debated in the House. There ought to be greater facilities for research if members are to make a useful contribution to this House and, particularly, to the standing committees of the House. Members ought to have research facilities and assistance.

In saying these things, I am not unmindful of the fact that all these facilities have been tremendously improved since the time I first became a member of this House. However, instead of giving to the members a flat sum of $8,000 which will be tax free, we would be better advised to follow the recommendation of the Beaupré commission and say that there should be certain sums of money from which a member may draw in servicing his or her constituency and that he or she will be reimbursed for any such expenditures on a voucherable and accountable basis. The President of the Privy Council (Mr. MacEachen) took the opposite view on this matter. He said, as recorded at page 5353 of *Hansard*:

> In my judgment, in view of the other responsibilities we exercise daily, it is not too great a responsibility to give this opportunity to a member to decide how he will determine the allocation of the $8,000 and not oblige him to come back and have his accounts vetted by a member of the bureaucracy who normally is interrogated, questioned and brought to heel by elected Members of Parliament.

Most of us have just gone through the experience of filing our income tax returns. These, of course, are vetted and examined by the bureaucracy. Several million Canadians have their requests for tax exemptions vetted by the bureaucracy. I do not think there is any reason that Members of Parliament should be treated differently. Professional and self-employed persons who must spend money which is not income, but is used to enable them to perform their functions, must submit vouchers. They must give an account of any money which they spend. I see no reason why members of Parliament should not be required to do the same. The only way the public can be sure that the money which we receive for the purpose of servicing our constituencies is properly used is to have it accountable and voucherable. They will then know that the money which we receive, ostensibly for servicing our constituencies, is actually spent on servicing our constituencies.

• (4:20 p.m.)

Some controversy has arisen as to what members will do with the extra remuneration if this legislation passes. The other day the hon. member for Burnaby-Richmond-Delta (Mr. Goode) challenged me and my colleagues in the New Democratic Party to make a statement as to what we propose to do. I can understand the hon. member feeling that perhaps he has to pay some conscience money to atone for the government's inconsistency in its treatment of parliamentarians as compared with other sections of the population. This is a matter which each hon. member has to decide for himself. I do not propose to criticize anyone else; each member will have to decide what he will do with the extra remuneration in the event that this legislation is passed. As far as I am concerned, I do not propose to follow the example of one hon. member who spoke earlier this afternoon and turn it back to the Crown; I am not anxious to help finance the refitting of another *Bonaventure* or the construction of a port which nobody is going to use. But I am determined in my mind to ensure that no additional income will accrue to me, personally. I propose to use this money, if it is made available, to do the things which the Beaupré committee recommended should be done, namely, to see to it that additional services are provided to my constituents so that I am able to serve them more effectively and more efficiently. I hope to be able to provide increased services in my constituency, to provide for an office and a staff and to do a greater amount of coverage by sending constituents reprints of *Hansard* and other information at my own expense. That is what will be done if this legislation passes.

However, I do not think we ought to take it for granted that this legislation will pass. I should like to make a plea to the government not to move with any indecent haste. The worst thing that could happen to the image of Parliament would be for this legislation to be hurried through the House and whipped through subsequent proceedings in the standing committee and in this chamber. After all, we take time in which to discuss many other questions which will have less impact on the public than the one before us. I should like to plead that when this bill goes to the standing Committee on Procedure and Organization, we should seriously consider two things. First, we should seriously consider removing the tax-free allowance, and draw up a list of constituency services in respect of which a member would be reimbursed, services which would be voucherable and accountable. Of course, limits would have to be placed on the amount which could be paid to any member, but money would be made available in order that members could be more effective, offer greater services to their constituents and be more available to them. Action along these lines would, I believe, receive general support from hon. member on all sides, besides removing much of the public opposition to this legislation.

Second, I urge that the standing committee studying this bill should give thought to recommending a method for dealing with changes in the salaries and allowances of Parliamentarians in the future. The Beaupré committee was silent on this aspect and the government has not made any recommendation. I believe a committee of the House, while studying Bill C-242, might give a good deal of thought to this question and make recommendations which the government would then have ample opportunity to study before it arose again. One of the difficulties which succeeding government have faced is that, since no one wants to tackle the problem of parliamentary increases, it is always left for a number of years. A substantial amount is then involved and there is always a reaction from the public. It would be much better if indemnities were tied to some objective criteria so that they could be dealt with on an annual or biennal basis. It would not then be necessary for us to conduct this agonizing and embarrassing appraisal of our own work. If

the committee would do this, and if the government were prepared to accept a recommendation in favour of some technique of dealing with parliamentary salaries and allowances in the future, Members of Parliament in years to come would not be required to go through the embarrassing and humiliating experience we are called upon to go through in this debate.

I would urge the government to consider this proposal very seriously. I honestly believe that if we were prepared to remove the tax free allowance and work out a technique by which parliamentary salaries were dealt with by some independent body, we would be helping to improve the image of parliament and make the government more credible when it deals with some of the economic issues facing the country.

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, I have here the report of the Advisory Committee on Parliamentary salaries and Expenses, report which preceded the bill before us, namely Bill C-242. That report is called the Beaupré Report in honour of the committee chairman, Mr. T. N. Beaupré. At the beginning there is a letter dated November 16, 1970, addressed to the Hon. Allan J. MacEachen, President of the Privy Council, House of Commons, Ottawa, which reads thus:

Dear Sir:

We, the members of the Advisory Committee appointed pursuant to Order-in-Council P.C. 1970-230 of February 5th, 1970, have the honour to submit the following Report.

Yours sincerely,

T. N. BEAUPRÉ

That report was presented on November 16, 1970, following a request made in February 1970.

The least I can say is that, contrary to the slow pace of other investigators hired by the government to work with many commissions, the members of the Beaupré commission did not waste much time and for this they deserve congratulations. But I do not quite understand some of the ensuing recommendations.

In fact, Mr. Beaupré, who is also president of Domtar, sees quite differently the needs of his own employees. Domtar is a company whose importance is recognized both in Canada and in the rest of the business world. In addition to owning several plants and controlling several others, this company is a fairly big stockholder in several areas of the Canadian economy. Among the Domtar plants, there is first the Quévillon plant which I heard about from the people of the Portneuf riding who were hired when this plant was built and who are still working at the production of paper.

In Donnacona, where I live, we are particularly aware of the Domtar plants. We have two of those plants; the first one manufactures newsprint and the other building materials which are well-advertised on television. These plants are rather important and yet, in the field of salaries, the same war between employer and employees is going on. Every second year, the employees must negotiate for two to five months to get what they want. In the case of one of those plants, the last salary increase was granted two years ago. At that time, the employees won a 24¢ an hour increase, to be granted progressively. The 24¢ an hour increase granted by Mr. Beaupré to his employees is to be put in effect in three stages for people whose income is only $6,000 per year.

Strangely enough, whereas hon. members already earn $18,000, Mr. Beaupré recommends for them a $7,000 increase at once.

Thereby Mr. Beaupré contradicts himself, I think. And one wonders where he is heading and what he wants, for he has advised the Donnacona employees in writing that though the time has come for negotiating better working conditions, the former agreement having just expired, it is no use seeking any increase this year.

While reading Mr. Beaupré's report, one wonders whether the $7,000 increase in parliamentary allowances which he deems appropriate for hon. members is not some form of acknowledgment of the grants he has already received from the federal government, or a manœuvre to obtain favours in the years to come.

I find inconceivable a policy under which the government increases members' allowances without worrying at all about parliamentary services. I shall quote from the Beaupré committee report, since it contains parts quite favourable to the constituents. First, it recommends equitable financial provisions in respect to the members of Parliament. Moreover, the committee suggests to restructure the said provisions so that each member may provide the Canadian taxpayers with services as efficient as possible.

The minister's proposals disregard completely the second aim suggested by the Committee and deal with the first somewhat inadequately. Perhaps the parliamentarians need an increased allowance but I am not in full agreement with its timing. The government is requesting manufacturers and workers in private enterprise to limit their demands for higher wages to the productivity growth rate; however, can we do less than those men? Can we vote ourselves this increase without giving a single thought to our constituents? I do not believe so.

Since 1965, except in unemployment and taxes has this government proposed other increases? To ask the question is answering it.

I would now like to quote excerpts of the Beaupré report because I feel that we might perhaps get to the core of the problem:

In our opinion, the conditions under which parliamentarians are required to conduct the business of a nation ... are completely inadequate. Members of Parliament ... are often deprived of even the most fundamental facilities requisite to the efficient performance of their duties.

The committee is satisfied that important improvements must be made in the facilities provided to members and in the methods of financing them. The need to make these improvements is urgent and it will become more urgent and more serious as the importance of the role of the individual member in the parliamentary system continues to expand. New types of social and technical legislation will present members with the need for additional research facilities in order that they may be better informed. We were struck by the fact that so many able and dedicated members who wished to make positive contributions to issues and legislation both as individuals and in committees were unable to do so because of the lack of adequate administrative and research assistance. This can lead to frustration and

loss of motivation in even the most dedicated member. An increasing involvement of government in the lives of the citizens and the increasing awareness, sophistication and participation of the public in positive democratic government will require improved communications between the member and each segment of society. It is our belief that the individual member is the most important link in the communication chain that joins government to the public it serves. The committee visualizes the role of the member as becoming more onerous, more complicated, more responsible and more time consuming. Consequently, it will become increasingly important that provisions be made that will permit him to respond quickly and adequately to the requirements of the people.

Mr. Speaker, the bill we are now discussing does not provide for the services needed so that a member can better respond to these requirements.

In my colleagues' opinion and in my own, the most important recommendations of the Beaupré committee were related to the field of services.

The committee suggested that each member should have an assistant "to help him cope with his substantial and complex duties both in Ottawa and the constituency". The government is doing nothing of the sort. It has kept its former position on the committee's recommendation that members who so desire should be assisted in setting up a permanent office in their constituency.

Since I represent one of the largest constituencies in Canada, I believe I have reasons to require that some services be provided.

Last week, in support of his request, the hon. member for Lotbinière (Mr. Fortin) did compare the services he provides with those rendered by the representatives for the three provincial ridings that make up his own federal constituency.

In my case, comparisons may be made on the federal level since even if the constituency of Portneuf is not the largest in Canada, it is gradually becoming one of the most heavily populated; there are now 115,000 people living in Portneuf and this is more than Prince Edward Island which is served by four federal representatives.

Out of those 115,000 inhabitants, some 60,000 will be entitled to vote at the next election. This means that even if only one out of every thousand constituents wishes to see me, I have to meet 40 or 50 of them every weekend at my two offices located in different places in the constituency of Portneuf. And all this is in addition to the many letters addressed to me and the telephone messages my wife receives.

If a citizen of a 2,000 family locality writes to me, I just cannot say that is abusive. I cannot blame anyone for writing me, since I specifically ask people to get in touch with me whenever they feel it is necessary, whenever they feel I can be of use to them. Nevertheless, the fact that I have 115,000 constituents multiples those requirements. As I say again, Portneuf is represented only by one member, whereas Prince Edward Island, with a smaller population, has four representatives.

I also want to discuss the $6,000 now allowed for our expenses, tax-free. Under the present system, this allowance can be used either as such, or as a salary.

[Mr. Godin.]

Some members, whose expenses are minimal, have no need for such an allowance; it all depends on the territory to be served.

For instance, the Minister of Justice is really very lucky. He does not need his extra $6,000 and I am truly glad for his sake.

• (4:30 p.m.)

But some need a much bigger allowance than others. It is another matter to which paragraph (b) of subclause (S) clause 44 offer a partial solution. In my view, the only possible solution to such a problem is to request vouchers for all expenses. In this way, members of Parliament would be treated on an equal footing and would no longer be penalized, instead of having this unfair system, and genuine expenses would be paid to each member.

Moreover, I object to the extension of this system with regard to the non taxable allowance. I believe that no member of Parliament has the right to have a different tax system than other Canadian taxpayers. The actual allowances are not imposed according to the taxation principles generally admitted in Canada.

I would like to see this procedure rejected immediately whereby members review themselves their salaries and expenses. Let us settle this problem. I think that it would be better to establish an independent commission which could evaluate and review the sessional allowance every two or five years.

However, it is true that, occasionally, we have to work 80 hours a week; but let us not think that we are the only group in society to make efforts.

In the riding of Portneuf as well as in others, but in Portneuf more particularly, where the footwear and slipper industry, for instance, has managed to hold its own in spite of the adverse effects of imports, it is not infrequent to find men who, in order to hold on, put in countless hours of overtime.

In several fields where salaries are not high, workers often have to hold two jobs in order to make both ends meet.

Among those who are also dedicated enough to put in long work weeks, are lumberjacks, farmers, in short, people from all classes of society.

This does not meant that they are the most highly paid. If, for instance, we compare the work of a mother who toils hard day in and day out without pay, with the achievements of successive CN presidents who earn $75,000 a year and still show deficits, you will agree with me that a high salary does not mean competence.

It is evident that some members feel justified in receiving a more substantial allowance on the ground that it is hard for them to make both ends meet. But how many of their electors are not facing the same problem? How many Canadian industries can boast of an easy success? How many tradesmen are not facing financial problems at the present time? How many Canadians are subsisting on hope alone and are awaiting the effects of the just society?

Like every one of us, I cannot ignore the 70 per cent of the Canadian people who are unemployed or earn less than $4,000 per year. There are also those whose annual income is $5,000 or $6,000. In that group, there are also the farmers who worry about the situation in which the present government has put them.

I recall, in that regard, the motion proposed by the leader of the Ralliement créditiste (Mr. Caouette) in May 1967, asking for subsidies in order to raise the price of industrial milk to $5 per cwt. The answer given is known to all. The motion was rejected on the pretext that no money was available.

On December 17, 1970 I moved an amendment to Bill C-202, an Act to amend the Old Age Security Act. This amendment was simple enough as it proposed a monthly amount of $150 to be paid to every citizen of 60 years of age or over. This amendment was deemed unacceptable by the Speaker because such action would have necessitated disbursements on the part of the government. If we cannot make payments for the benefit of senior citizens, of people on pension, I do not see very well how we can today increase parliamentary salaries and allowances.

On three occasions I urged in this House the establishment of a guaranteed annual income for Canadians. Under the pretext that this would cost too much, Liberal members who spoke on such occasions felt a compulsion to stifle my proposals which meant a step toward better justice. All those who wish to refer to speeches concerning this matter may find them in *Hansard* of October 2, 1968, April 20, 1970 and April 19, 1971 where I moved a motion to this effect.

• (4:40 p.m.)

Right after my election to Parliament, on the occasion of the Speech of the Throne, that is on January 24, 1966, I had hastened to move an amendment for an increase in family allowances. Once again, all Liberal members present voted against it, again for the same reason, lack of money.

When we consider that there are 700,000 unemployed in the country, and when we see every day, under the present administration, factories that have to close down, whether this takes place in La Tuque, Grand'Mère, Montreal, Saint-Hyacinthe, Quebec City or Rimouski, we cannot but question the formula used by the present administration.

When we see young people looking for work throughout the country, we can be doubtful about the efficiency of this administration.

We have already experienced a depression in the years 1929 to 1939. Great experts at that time had succedeed in making us believe that we were slightly to blame since we were uneducated. However, today conditions are different. Young people are afraid of the future; they must wait for better days and see what the Liberal party has to offer. Finally, each spring, each autumn indeed each season, the Liberal party frankly declares to the Canadian people: We have nothing to offer at the present time, but be patient. So the people are waiting especially the young.

If they do so, especially the young people, it is not because they lack training, because we all know that we have now reached the period of the educated unemployed.

Mr. Speaker, the way a country is run is predicated upon its leaders and the failure of the present administration is a clear indication that our leaders are not up to their task.

It is ridiculous that the Canadian people should lack everything because of our affluence and I will not be in a position to support the bill now before us as long as this situation will prevail.

On January 12, 1969, our present Prime Minister (Mr. Trudeau), then in Britain, stated that his most cherished economic formula was communism.

Mr. Speaker, if parliamentary indemnities are increased as much as provided by this bill, the Prime Minister's indemnity will be raised to $53,000 from its present level of $45,000. I suggest such a high compensation should not be accepted by a communist leader.

An article by Pierre Elliott Trudeau, titled "Fluctuations économiques et méthodes de stabilisation", appeared in *Cité libre* of March 1954 on page 34. It reads as follows:

> The problem still is to find out whether there is any limit to unemployment other than utter misery.
>
> The most obvious solution would be to level off income among the various social classes so that the poor will have more to spend and the rich less to save.

Mr. Speaker, in view of the misery of Canadians, I do not think it is time to pocket but rather to share. As long as the government and members of Parliament will not make better services available to Canadian electors, bills such as Bill C-242 will be unacceptable.

[*English*]

Mr. Andrew Brewin (Greenwood): Mr. Speaker, I originally had no intention of speaking on this bill and I will not detain the House more than a very few minutes. My attitude toward the bill has already been expressed by my colleagues, the hon. member for Winnipeg North Centre (Mr. Knowles) and the hon. member for Vancouver-Kingsway (Mrs. MacInnis). I agree with them, that the problem of narrowing the gap between poverty and affluence is the major problem of this society. It seems to me that this bill is not consistent with that purpose. Frankly, I would have a hard time facing the old age pensioners and others on the edge of subsistence in my constituency if I supported this particular measure.

I do think that there are no objections in principle to an increase in the salaries and remuneration of Members of Parliament, but this bill does it in the wrong way and at the wrong time. I think an admirable case can be made out and, indeed, was outlined in the report of the advisory committee on parliamentary salaries and expenses headed by Mr. Beaupré, for a complete change in the practice regarding expenses and allowances for Members of Parliament. An allowance of $6,000 or $8,000 for expenses, income tax free but not accountable for by the members, creates a serious injustice. Some members have actual and clearly accountable expenses of very

large amounts, while others have minimal actual expenses. Some members of this House have constituencies so large that travel expenses alone could eat up that expense allowance. Some, such as those with families and younger children, face the difficulty of double residential expenses, while others do not. Some members, and I must admit I am one, have expended considerable sums to maintain at their own expense offices in their constituencies for the service of their constituents. Others do not do so. The result is that the equity of treatment theory, that is giving the same salary to all and the same allowance or expense to all, produces serious inequities among members.

• (4:50 p.m.)

I would be in favour, Mr. Speaker, of increasing accountable expenses which would enable Members of Parliament to do a better job in the service to or in communication with their constituents. However, that is not what this bill does. This bill substantially increases salaries and non-accountable expenses. It fails, however, to provide for the principle of accountability of expenses. I am quite sure there are members in this House whose obligations are such that they need the money involved in the proposed increases, but the plain fact of the matter is that this substantial increase is proposed at a time when every public interest and every public exhortation by the government stresses the necessity of restraint in respect of wages, prices and salaries. I ask this question: how on earth can we, as elected representatives of this country, expect restraint from others which we do not practice ourselves? In short, Mr. Speaker, I think the proposed increase is simply wrong. I know there are sincerely held opinions to the contrary, but I feel obliged to act according to my own judgment and my own conscience and vote against this bill.

Some months ago when this matter first came up for public discussion I made it quite clear to my constituents, and shall do so again, that I do not propose during the present Parliament to accept any personal benefit from the increased salary if it is approved by Parliament.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I do not know whether I may be the last speaker in this debate. I do not know, either, whether an arrangement had been made to perhaps end the debate. I can only say that I have wrestled with this problem for a long time, and perhaps that is the reason I have not risen before now to participate in this debate. On matters affecting my constituents, I try to speak for them in this House. On matters affecting me as a person, I think I owe it to my constituents to allow them to speak for me. I realize there are many members who require a pay increase. I do not think any person really realizes what each Member of Parliament has to go through, any more than I know what type of business operation is behind the store I see as I walk down a street. One day I see a beautiful store. The next day I notice that it is closed down, although I had the impression that it was making a lot of money.

I know people look at the present salary of $18,000 and are influenced by that figure. This is what they throw back at us. In the past I have supported pay increases and have taken the brunt of the attack in this regard. However, I have not suffered too badly as a result of my stand. I believe I owe an explanation to the House, and perhaps to my constituents, concerning the course of action I intend to take. I realize that my position is different from that of anyone else. I have found it necessary to supplement my income from the income derived from my farm, whenever it has made money. I can honestly say that during the past three or four years it lost money. At the same time, people on farms in the same area suffered the same fate. I have a young family which I must consider. I must also consider the electorate and remind myself that some day they may ask me to stay home.

I realize that the situation may be different in respect of a bachelor because I was in that position myself as a member of this House over a period of four years. I know how easy it was for me to get around the constituency when I had no other obligations. Now, however, the situation is different. I have a constituency which is perhaps different from most constituencies. In addition, I know the difficulties involved in trying to get around my constituency and still maintain some semblance of family life. I realize there should be a better system of pay increases than we have at present. The bill does not set out a formula which would avoid the necessity of our having to go through this same procedure again. I believe the constituents in my area have perhaps a different attitude from that of constituents in many other areas. In many urban areas where there are many doctors, lawyers, successful businessmen and the like, it is conceivable that the people accept the principle involved in this legislation. I, however, must walk up and down the streets of nearly deserted towns.

My constituency has been expanded to the point that it is almost impossible to serve it properly. Many Indians and others who populate the northern part of my constituency have not been visited because it is most difficult to do so. The area is very great. As I have said, the constituency has become larger and larger after each redistribution. The population in this area has become smaller because there is no money to be made in that area. I noticed an announcement in the newspaper the other day that bricklayers are to receive something in the order of $6.69 an hour. In areas where such salaries are not unusual, it is perhaps easy to obtain a measure of support for an increase of this kind. In my situation, this is not the case. Also, in a rural area campaign funds are pretty difficult to obtain. I have been involved in seven campaigns and I know who has had to foot the bill. I can tell you, Mr. Speaker, quite freely that there would be some political advantage in my supporting this bill because I could easily use the extra money to my own advantage. But I believe there are other important considerations.

Because there are many people in my area who have low incomes, it is possible that rather than having volunteers come forward to see what might be done, people might come forward to see how much they could get from a member in view of the increase in pay. Try to

divide this amount among constituents and then see how much you have left. As an experienced Member of Parliament I believe I have some contribution to make in this House and to the welfare of our country, at least more than was the case 13 years ago when I came here as a greenhorn. Therefore, I wish to set out my views on what I believe is a very difficult situation. I realize there are members here who sincerely need this increase in pay because they have no other source of income. I wish to state also that I believe most members so far have indicated—

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

The Acting Speaker (Mr. Richard): Order, please. It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The hon. member for Hamilton Wentworth (Mr. Gibson)—Elections—Provision of right to vote to Canadians residing outside country; the hon. member for Humber-St. George-St. Barbe (Mr. Marshall)—National Parks—Bonne Bay—Letting of contract for survey work; the hon. member for Selkirk (Mr. Rowland)—Youth—Opportunities for Youth Program—criteria used in considering applications.

Mr. MacEachen: I rise on a point of order, Mr. Speaker. I should like the consent of the House to revert to motions for a moment in order to move a reference to the Standing Committee on Public Accounts which has been requested. This is a reference I promised the committee some time ago. If I had the consent of the House, I would move it.

Some hon. Members: Agreed.

• (5:00 p.m.)

ROUTINE PROCEEDINGS

PUBLIC ACCOUNTS

AUTHORITY FOR STANDING COMMITTEE TO HEAR MINISTERS OF NATIONAL DEFENCE AND SUPPLY AND SERVICES IN RESPECT OF "BONAVENTURE" REFIT

Hon. Allan J. MacEachen (President of the Privy Council): I move:

That the Standing Committee on Public Accounts be given authority to hear the Minister of National Defence and the Minister of Supply and Services in respect of procedural changes made and action taken in accordance with item 5 of the report of the Standing Committee on Public Accounts on paragraph 101, refit and improvements of HMCS *Bonaventure* laid before the House May 13, 1970.

The Acting Speaker (Mr. Richard): The House has heard the motion of the President of the Privy Council (Mr. MacEachen). Is it the pleasure of the House to adopt the said motion?

Some hon. Members: Agreed.

Motion agreed to.

The Acting Speaker (Mr. Richard): It being five o'clock, the House will now proceed to the consideration of private members business, as listed on today's order paper, namely, notices of motions.

PRIVATE MEMBERS' MOTIONS

[*Translation*]

EDUCATION

REQUEST FOR NATIONAL CONFERENCE ON UNIFORM STANDARDS AT PRIMARY AND SECONDARY LEVELS

Mr. Louis-Roland Comeau (South Western Nova) moved:

That, in the opinion of this House, the government of Canada should consider the advisability of taking the initiative in securing to collaboration of the provinces in the convening of a national conference on uniform standards in primary and secondary education.

He said: Hon. members will recall that this subject was debated on March 2, 1970. I do not intend to repeat the arguments that were put forward then, nor do I intend to repeat my own arguments. However, I am very concerned about this matter, and it is for that reason I have again included this motion on the Order Paper in this session.

Last year the motion was talked out, and it will probably receive the same treatment this year. But if I can achieve one purpose, that is to get the provinces along with the federal government, but particularly the provinces, to look at this problem and to consider it at any future conferences, then I will have achieved something. So I am certainly glad to have another opportunity to debate this matter. It is a very important matter because it affects both youth and the movement of families. This debate also gives me an opportunity to respond to some of the objections raised by hon. members in the last debate on this subject. At that time, some hon. members felt, for one reason or another, that they could not support the motion while others felt they could. So, my argument today will be a rebuttal of the arguments put forward by hon. members on March 2, as recorded at page 4242 of *Hansard* of that date.

I wish to make it very clear that I believe educational matters are the responsibility of the provinces. Section 93 of the British North America Act sets this down very clearly. I am not advocating that the federal government take over this responsibility. The motion simply calls for the convening of a conference for the specific purpose of trying to work out a deal whereby our students will not lose credits by moving from province to province. I am simply advocating a greater co-operation between provinces rather than that the federal government take over education because, while education is a provincial matter, surely we agree that the federal government is also involved in it. Grants and loans are made to the prov-

inces for educational purposes. We are very involved in student loans, in vocational training, in the program of training and retraining through the Department of Manpower and Immigration. These programs make it clear that the federal government is involved in an indirect way in education, and for this reason I have no hesitation in moving this motion which simply calls for a conference to be convened to inspire co-ordination and co-operation among the provinces.

In this motion, I ask the government of Canada to convene a conference, in view of its involvement in education, because of the inequalities that exist in the educational systems of the different provinces, in equalities that existed last year and continue to exist this year.

True, representatives of provincial governments meet at times to consider certain problems which come up in the field of education.

But I am not satisfied and that is why I would like the point on which I want to insist to be brought to the attention of provincial ministers of education in order to satisfy young people who travel across Canada.

Last year, I quoted figures, and I do not want to recall them. But I said that more than 100,000 young people who moved many times from one province to another are facing different education systems, which is no doubt likely to delay their progress.

It is therefore important to know that over 100,000 young people go from one province to the other every year.

[*English*]

I stressed the point previously that Canadians are very mobile, and last year I produced statistics to prove it. I emphasized the point that yearly over 50,000 families move from one place to the next, and on the average there are two children to a family. Young families are moving and jobs do not last long. I suspect that this year more families will be moving to try to find employment. The government wants youth to move, since it is subsidizing their travels this summer. Young people want to go to study in various provinces. So, there is cause for concern about this particular problem.

As I said, my remarks today are simply a rebuttal of the arguments put forward last year because I did not have a chance at that time to answer the comments made during the time allotted to private members hour. The hon. member for London West (Mr. Buchanan) made the following remarks, as recorded at page 4245 of *Hansard* for March 2, 1970:

> In conclusion, I should like to suggest that this motion has the effect of making more rigid and stratifying our structure, when really the solution and outcome should be more freedom at the individual and municipal level, giving the teacher more power to develop and design programs which fit in with these students who move from province to province.

Some valid arguments have been put forward, and I respect them, but my argument in presenting this motion is that I certainly do not want to limit the freedom of our youth. I respect the right of the individual to develop. I do not want to limit the initiative of the individual provinces, school boards and teachers. I just hope that the programs which are developed by the individual teachers, school boards and provinces will be recognized by other provinces. This is all I am asking.

The hon. member for Oshawa-Whitby (Mr. Broadbent) spoke somewhat along the same line, pointing out that there are many arguments nowadays in favour of individual rights and freedoms, and that these would be limited if we had uniform standards of education. Mr. Speaker, I am not calling for uniform standards of education. I am simply asking that what an individual province does in the field of education will be recognized by the other provinces, so that our young people will not lose credits when they move from one province to another.

The hon. member for Grenville-Carleton (Mr. Blair) and the hon. member for Ottawa West (Mr. Francis) agreed with me that this is a very essential matter. I would point out that many of their constituents are people who moved from other areas of the country, and who have been faced with this problem.

The hon. member for Gander-Twillingate (Mr. Lundrigan) pointed out that there are ten different approaches to curriculum questions. Mr. Speaker, I want the classroom curriculum to be geared to the individual considering his unique environment, his unique hereditary background. I do not want to stifle the individual. I do not want uniform courses to be offered across the country, but I do want the various curricula to be recognized across the country. I want the credits earned by young individuals to be recognized by each province. I do not want children to suffer the loss of a year of schooling because individual provinces may be proud of their systems and have a superiority complex.

I have only a few minutes left, Mr. Speaker, but I want to point out that since March 2, 1970, when we debated this matter I have received many letters from mothers and fathers whose children lost school years because their credits were not recognized in other areas of the country. They were the children of people in the Armed Forces, or of public servants who had been transferred from their home provinces. I have also read letters to the editor in various newspapers supporting my stand that an effort be made to recognize the credits given by the different provinces.

Recently, I wrote to each provincial minister of education asking for their co-operation in this regard, and for their comments on the matter. I have received a couple of replies, one in particular from the Manitoba Minister of Education, but I am afraid I will have to send him another letter because I do not think he really understood what I was seeking. In his reply he said:

> We have generally tended to consider that a little more uniformity in school programs would be helpful but the trend in Canadian schools and the pressure from both teachers and community, and nowadays from students in the high schools, is in the opposite direction.

I recognize that. I do not want to stifle the individual. I simply ask that what the individual does in one province be recognized in another province. I do not want one history course for the whole of Canada. I do not want a conference to discuss one geography or one mathematics

course. I simply want the authorities to come together and realize that people are moving across this country, and that the credits given by one province should be recognized in another province. This is all I am asking, Mr. Speaker.

[*Translation*]

I therefore trust, Mr. Speaker, that hon. members will understand my objections and the purpose of this motion.

[*English*]

Therefore I hope that hon. members who participate in this debate will recognize the spirit in which I am moving this motion. I am not seeking a uniform standard in the sense that the same courses should be offered in all provinces, but simply to have the credits given by each individual province recognized by all the other provinces so that our young people will not lose their credits when they move from one province to another.

Mr. Maurice Foster (Algoma): Mr. Speaker, the hon. member for South Western Nova (Mr. Comeau) is to be congratulated on his perseverance in bringing this matter before the House today because the uniformity of education at approximate levels across the country is a matter of great concern. The constitutional committee has been travelling across the country recently, and I understand there is hardly any matter which comes up more frequently at its hearings than the uniformity of educational standards across Canada.

Section 93 of the British North America Act sets out that education is a provincial responsibility. I am sure that when the Fathers of Confederation sat down to draft that document in the years immediately preceding 1867 they thought of education in terms of small red brick buildings along concession roads throughout rural Ontario and the other provinces which were to become Canada. In this day of computers, modern technology and rapid transit, education has become an all-encompassing part of our way of life. We are involved in education from the age of three or four years right up to adulthood. If we were drafting a new BNA Act today, it seems to me it would be a far different document from the old one. I believe that most Canadians, if they had a chance to vote in a plebiscite, would opt for education being a federal matter so that people moving from one province to another would be able to move freely, without their children having to move back a grade in school or having to wait for a year while the students in their new class caught up with them.

Many representations have been made to the Constitutional Committee, and I am sure the hon. member for South Western Nova has received similar pleas, by people who believe that our educational standards should be more unified. Senator Cameron, who is an outstanding educator in our country, particularly experienced in the adult level of education, has often advocated the establishment of a national office of education which would be a sort of clearing house for the provincial departments across the country. It seems to me, Mr. Speaker, that this would be a very valid start on providing a more uniform system throughout the country.

National Education Standards

Even though the federal government has no responsibility for education it is deeply involved in education, not only at the adult level through the Canada Manpower programs but even at the post-secondary level. Recently, Mr. Speaker, I placed a question on the order paper asking how much was spent by the federal government on the various universities throughout Ontario, and the reply listed the grants made to these institutions. It pointed out that grants were made through three programs, the first being health resources fund which assists the province towards the capital cost of health training facilities at various universities. The second program is the Medical Research Council grants, and the third is welfare grants, both of which consist of funds for a combination of capital and operating expenses, and are given to individual investigators rather than to universities.

The total for Carleton University for the last five years was given as $170,377. Another example is the University of Toronto which received $32,879,745 over the past five years. The list totals upwards of $50 million in this area of health grants alone for post-secondary education. As I say, the hon. member is to be congratulated for bringing this motion before the House. Certainly, within our provincial boundaries we have trouble maintaining the same quality and level of education. Before I became a Member of Parliament, I had considerable experience in establishing district school boards which would provide an equivalent standard throughout a small area. When this project is moved to the national scene in an attempt to provide equivalent standards across the whole country, it poses some problems but this does not mean we should not strive toward this end. Perhaps a national conference would be the first step.

• (5:20 p.m.)

In the area where I was active on the school board, for instance, there were very few kindergartens. When the new district board was established, which combined ten small township boards, then we had kindergartens throughout the area. This was a rural area where it was difficult to provide transportation and busing. It seems to me when larger units of administration are established the level throughout the district tends to rise to the top level, so perhaps this would be the case throughout Canada. If we were to have national levels and a grant system to support this, I am sure we would find that the level of education would move upwards in the provinces from the lower standards toward the highest standards which exist in the country.

Surely, education and training combined are the most important factors in the standard of living of any country. We used to believe that national resources or capital were the key to providing a high standard of living, but I am not sure that this is the case today. We know of countries which are very rich in natural resources, but which have a very low level of education and usually their standard of living is low. In other countries with large amounts of capital, if the education level is low then the standard of living tends to be low.

I like to use the term "training" as well as "education" because it seems to me that we tend to relate the word education to academic subjects whereas training tends to encompass more. When we raise the level of training and education in a country, we automatically raise the standard of living. So, Mr. Speaker, I am very happy to support the motion of the hon. member for South Western Nova (Mr. Comeau). I think he was wise in bringing this motion before the House this afternoon for debate during private members' hour. I am sure this is one of the most worth-while motions we will be debating in this House.

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I, too, admire the motivation which prompted the hon. member for South Western Nova (Mr. Comeau) to move this particular motion this afternoon. I find myself in somewhat the same position as the minister of education for the province of Manitoba. The member for South Western Nova indicated that perhaps the minister did not understand what he was seeking, I am not quite certain either what the member is seeking.

Mr. Comeau: You didn't listen.

Mr. Rose: In his motion he makes the point that he would like the federal government to convene a national conference on uniform standards in primary and secondary education. In his speech he went on to say that he really did not desire uniform standards at all, but really was favouring the more individualized instruction. I do not know whether this means that he supports what he has said in the motion or whether he has qualified that in the speech we heard this afternoon.

In previous speeches I, too, have pointed out the desirability of some sort of uniform minimum educational norm across Canada. Perhaps this motion is quite modest in its extent because it calls for a conference on the subject. I am going to commit the supreme act of egotism and refer to a press report of my maiden speech in which I made some points on this very subject. At that time, I suggested that we should have a permanent national office of education. I agree with the member for South Western Nova and also the member for Algoma (Mr. Foster) that education is assuming a much larger role in our present society than it did when the constitution was first framed. I also agree that the constitutional picture would be quite different if this matter were before us now. I should take a mild excursion here to point out that, although education in the United States is a state matter there has been a federal office of education there for nearly a century. There is nothing to prevent us from having the same thing in Canada.

I suggest that a national office of education would give leadership in establishing some uniform minimum grade equivalents and subject norms across the country; it could stimulate and co-ordinate education research so that we would not remain dependent upon the importation of foreign educational research, money and skills; it could effectively help administer grants, directly to institutions if necessary, and hasten the day when post-secondary education at public expense would be accepted

[Mr. Foster.]

in the same way as secondary and primary education and, finally, it could handle education matters at the international level. We have had a number of embarrassing moments because education comes under provincial jurisdiction, when provincial representations at certain conferences have been taken as representing all of Canada. An office of education could co-ordinate such things as the Canada Council and other agencies in programs to make our cultural identity and cultural life much more meaningful.

I can go along with the member for South Western Nova from that point of view. Perhaps he has thought about it since presenting his original resolution last March and is beginning to recognize that what he suggested, that is uniform standards across the country, really means a return to the lock-step approach in which every child is taught the same thing in every classroom at the same hour of the day. I think he now realizes that this is contrary to the trends in education outlined in the excellent Ontario Hall-Dennis report, moving away from all kinds of rigidity, inflexibility and superimposed external structure. Instead, educators are concentrating upon a much more humanitarian and individualized curricula and methods in a modern way which is more in tune with the child's unique talent, interest and needs.

• (5:30 p.m.)

I recognize that support of minimum norms across Canada is only a halfway house. I also recognize the problem of mobility of people. Many people with children face a great deal of difficulty in the educational system when they move from one area of Canada to another. The minimum norms might be useful there in a number of ways, but only as a halfway measure to the day when each school system will have an individualized type of instruction for each child.

One of the reasons we talk about standards of norms is that each school system is hung-up with screening devices. In order to achieve academic respectability, each child has to be successful in jumping certain prescribed academic hurdles. The only way to academic sense is through the five holy roads, which include English, social studies, mathematics and a foreign language. It is about time our universities and schools got away from that type of thinking. There are many more meaningful things for young people, and certain intellectual interests, than this recipe which is not necessarily nourishing for all children. Uniform standards in the extreme are very wasteful in terms of manpower; they are grossly inconsistent with the objectives of the modern state.

As I said earlier, I recognize the problems of co-operation. Canada is recognized as a country with vast regional variations. I support the statement made by the hon. member that the people of some regions are permanently disadvantaged because of an impoverished educational system. This is certainly true of many rural areas in all provinces. It is true in terms of parts of the Maritimes, parts of Quebec and mid-Canada.

As the hon. member for Algoma (Mr. Foster) pointed out, there is a strong correlation between educational

standards and affluence. The poor areas do not have enough money to spend on teacher training, buildings, equipment, curricula, development, and so on. The students are disadvantaged because of this, and the gap is growing wider. The same can be said from country to country and, as in our case, from province to province within a country.

About one year ago the *Globe and Mail* contained an excellent article about the lack of educational opportunities for Métis and Indians and how the lack of a suitable educational system had a negative effect on the future they could build for themselves. I would have been much happier to support this motion if the word "norm" had been used instead of "uniform standards". I think a standard applies undue rigidity. It also applies an autocratic superimposition upon the student of a particular area. The public regard it as a box in which all children, regardless of ability, are squeezed. We stamp-out a particular product, like cookies. If we had a minimum norm for all children it would be extremely useful to students, parents and teachers.

As long as we look upon norms as being voluntarily accepted, they will be valuable as objectives. They are of value to parents and students to compare the quality of education in a particular district with the national minimal norm. If one area is below the norm, parents can bring certain pressures on the local educational system to have it at least brought up to the minimum standard. It would be useful to have this pointed out.

When talking about norms, we should consider special norms for disadvantaged groups. Children in some areas do not have the same educational advantages nor the social, domestic or home advantages. This is reflected in their level of achievement in school. If we had minimum norms for these people it would be very useful. There could be a special norm for certain ethnic, immigrant minorities. We cannot expect everybody to jump over the same hurdle at the same time. We do not expect this in athletics, nor should we expect it in education. There could be special norms for Métis and Indians who are so often out of their own depth. It is very tragic when Indians and Métis, who have reached a certain level in their schools, come to an urban school and find that they cannot "hack it" because their educational background is insufficient. This would be helpful in assisting these disadvantaged groups.

I do not agree with the hon. member for Algoma that education per se will solve the problems of all people. I do not agree that a high educational standard necessarily means a high economic standard or high standard of living. I do not know whether it is a cause or effect. It may be that a high economic standard produces a high standard of education. It is like the chicken and the egg. I am not convinced it is necessarily so.

We have tended to oversell success through education. In the past few months many people have placed their faith in being highly educated, only to find that the economy of our country is not sufficiently developed to absorb them. Ph.Ds and others with high academic qualifications are joining the ranks of the unemployed. The hon. member for Calgary North (Mr. Woolliams) is nodding in agreement. I know that he believes in this because he has mentioned it in the House many times.

There is a fundamental disillusionment with universal literacy. We thought that when literacy became universal everybody in our country would suddenly become very interested in politics, that they would become leaders, and that sort of thing. However, people are becoming influenced, not by the press but by the listening media. Mr. McLuhan has had some interesting things to say about this subject.

I think the motivation behind this motion is positive and goes in the right direction.

Mr. Comeau: Would the hon. member permit a question?

Mr. Rose: Yes, Mr. Speaker.

Mr. Comeau: Does the hon. member think that grade 11, for example, should be recognized as grade 11 from one province to the next? This is what I think is meant by uniform standards in the sense that credits are not lost in moving from one province to another.

• (5:40 p.m.)

Mr. Rose: I am pleased the hon. member for South Western Nova (Mr. Comeau) has risen on this point. He asked whether I believed this. I was not certain, after his speech, what he believed. I would be prepared to say that grade 11 is grade 11; it should mean 11 years in school. We should not rule that grade 11 means the successful passing of one particular course as opposed to another when one course might not be suited to a student's particular talents. I should like to go into a great deal more detail on that point, but time will not permit.

Employers have been unduly impressed by certain documents such as certificates and diplomas. I do not believe education makes a person intelligent. I do not think education has anything to do with intelligence. Education provides a certain amount of verbal facility, perhaps, but it does not make a person smart. There are many young people who do not possess the standard academic qualifications yet they are capable of making an excellent contribution to society. Too often they are ruled out because they do not possess a union card or a certificate of education. Employers deduce from this that they lack ability. I do not think this is necessarily so. Moreover, school is often not the best place in which to store people for 11, 12 or 15 years. We are foolish if we suggest that education ends when we leave school. Frequently, far more education takes place out of school than inside it.

An hon. Member: You are talking it out.

Mr. Rose: I shall not talk the motion out. I cannot, in any case, because I am limited to 20 minutes. If there are no further interruptions, I shall end in a few moments; otherwise I shall ask the Speaker to substract the time taken by interruptions from the total time available to me.

In addition to considering the interchange of educational levels from province to province, we might give some thought to the interchangeability of teaching services. I see no reason why a teacher should not be able to move, freely across provincial boundaries. For example, if a person wishes to teach in my own province of British Columbia rather than in the hon. member's province of Nova Scotia, he should be free to do so.

Mr. Woolliams: It would be quite a benefit.

Mr. Rose: The contempt shown by some provinces for certificates issued by others is something we could do without. I support the concept dealt with by the hon. member in his explanation, but I do not support what the hon. member has put down in the written part of his motion as it appears in *Routine Proceedings and Orders of the Day*. Nevertheless, he has explained his proposal satisfactorily to me and in these circumstances I think the conference he proposes would be a tremendous step in the right direction. Incidentally, the hon. member may not know this but there has been a secretariat of ministers of education in existence for the last three or four years. It is not the most energetic body in the world, and if it has done anything in that period it has failed to impress me by what it may have accomplished.

Mr. D. Gordon Blair (Grenville-Carleton): Mr. Speaker, I shall be brief because I know other hon. members wish to speak, including the hon. member for Calgary North (Mr. Woolliams.)

I had the privilege of speaking on this subject when it was raised by the hon. member for South Western Nova (Mr. Comeau) last year. I simply wish to report to the House that the problem he has raised for our consideration today is a very practical and important one in Canada. We have an extremely mobile population and in the course of a lifetime many families move not only within provinces but from province to province. This presents an extremely serious situation for many of those who live in my constituency in the suburbs of Ottawa, members of the public service who are obliged by the nature of their occupation and in the service of their country to move from province to province. I have found in all my dealings with my constituents that one of the problems which is most real in their minds is that of the proper education of their children having regard to the fact that they must move from province to province.

My main reason for speaking in this debate is not to repeat what I said last year, but simply to report that our debate at that time struck a very responsive chord in my constituency and elsewhere in the country. I see the hon. member for South Western Nova nods his head; I am sure he received a similar response. I was amazed at the number of letters I received from people telling me about the difficulties they had encountered in the education of their children because of the necessity to move from one educational system to another.

I was delighted that the hon. member for Fraser Valley West (Mr. Rose) qualified his contribution toward the end of his remarks. I say this because there has been in the discussion of the matter before us a certain academic prissiness; I might say, a degree of pedagogic rhetoric. The idea has been put forward that because there are new theories of pedagogy apparently designed to concentrate on the individual characteristics of each child, it would be a step backward for a conference to consider the better co-ordination of educational systems in this country. As the hon. member for South Western Nova made very clear, the mere fact that we now have new theories of pedagogy makes it all the more important there should be close co-ordination; children who move from one province which might still be operating under an old educational theory to another operating on the newer theory would suffer an even greater disadvantage.

I am not at all concerned whether we say that our aim is to secure more uniform standards, to establish what are called norms, to bring about co-ordination, or simply to recognize the fact that in Canada we have a unique problem arising from the extreme mobility of our population. The truth is that there is a problem which Parliament ought to recognize. It is not one just for pedagogues, boards of education or Members of Parliament: it is a problem for children whose education has been impeded—some of them, indeed, have suffered grave disadvantages likely to affect their future simply because we labour under a disorganized educational system.

In my opinion we should compliment the hon. member for South Western Nova on bringing this motion before us, and we should urge with all the force at our command that the proper authorities meet to consider what might be done.

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, I shall not speak at any length because in my opinion this motion is of such importance as to justify the House approving it before private members' hour ends at six o'clock. I support wholeheartedly the motion put forward by the hon. member for South Western Nova (Mr. Comeau). It is obvious that the hon. member has worded his motion with a great deal of care. The motion reads:

> That, in the opinion of this House, the government of Canada should consider the advisability of taking the initiative in securing the collaboration of the provinces in the convening of a national conference on uniform standards—

That is, uniformity of curricula.

—in primary and secondary education.

• (5:50 p.m.)

So he is talking about uniformity across the country in education, whether in the province of Quebec, Alberta or Ontario. Why has the hon. member worded it in that way? The reason goes back to the British North America Act and to the question of constitutional jurisprudence. In order to bring together Upper and Lower Canada, the province of Quebec—and properly so—asked that in the terms of confederation the question of education be left to the provinces. I suppose this is also the reason we had the B and B Commission.

I do not think our constitution is going to be changed in this regard, and perhaps this is why the party to which the hon. member for Fraser Valley West (Mr.

Rose) belongs has had such a lot of trouble ironing out their Quebec policy. But I am confident that no matter how many conferences or committees study our Constitution, the provisions relating to education will remain intact.

Mr. Rose: Mr. Speaker—

Mr. Woolliams: The motion does not say that we cannot get the ten provinces together at a conference in order to iron out—

The Acting Speaker (Mr. Richard): Is the hon. member for Fraser Valley West (Mr. Rose) rising on a point of order?

Mr. Rose: To ask a question, Mr. Speaker.

Mr. Woolliams: Mr. Speaker, my time is limited. I have listened intently to the distinguished member for Fraser Valley West and I do wish he would give me a few moments. As far as his argument is concerned, every member of this House climbs the political ladder. Although he endorsed the motion, like many politicians he was climbing the ladder but proving himself wrong by wrong by wrong. As far as this motion is concerned, he defeated his own argument by his own intelligence—his highly-developed intelligence, I might say, since he is one of the best scholars in this House.

So the reason the motion was worded in this way is because of the Constitution. To the provinces was delegated jurisdiction over education. Therefore, I submit the motion is properly worded. The gist of both speeches on this side is that the hon. members were asking for the same thing but by a different method. The hon. member for South Western Nova (Mr. Comeau) was absolutely correct in putting the motion in the way he has.

I support the idea that has been put forward in the motion. We are becoming more nationalistic today. We are entering a period where people move much more from place to place. Members of Parliament who have young families have to move from British Columbia, Alberta and Saskatchewan, as I did myself some years ago. My children are a little older now, of course, and I have grown a little older myself; but when students from Alberta come to Ontario they almost have to start a new course of study. This is what the motion is trying to cure. Perhaps I am being disrespectful to my own province in saying this, but when my daughter came to Ottawa, although she had been an accelerated student in her class in Alberta she found she was at the bottom of the heap here and had to work hard to catch up. The elementary curriculum in Ontario is of much higher standard than it is in Alberta. This is what the hon. member is seeking to cure.

I hope that government members will endorse this motion and not talk it out. Uniformity is a matter that is important to the welfare of our youth, particularly to the education of our youth. This is why I endorse the motion. It is drawn in accordance with the terms and conditions of the agreement reached at confederation; it is in accordance with the terms and conditions of our constitution; it is also in accordance with the needs and demands of our young people who require uniform standards of primary and secondary education across the country.

In view of the arguments put forward, I hope the House will now move to adopt the motion so that the government is moved to gratify the desires of the hon. member who was motivated to prove it.

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, the intervention of the hon. member for Calgary North (Mr. Woolliams) has inspired me to say a few words on this motion, though not with any intention of talking it out. However, I have been left with so little time that perhaps I shall not be able to complete all my remarks in the time allotted to me, in which case I shall look forward to continuing them the next time this important notice of motion comes before this chamber.

My opening remarks are to express the gratitude of the House for the thoughtful care with which the hon. member for Calgary North clarified the careful thoughtfulness of the motion moved by the hon. member for South Western Nova (Mr. Comeau), and we are indebted to him. Most of us understood the motion before the clarification, but since we have had this clarification we can now deal with the motion itself.

In his remarks the hon. member for South Western Nova was correct when he pointed out that whenever we in this House embark on a discussion of education we are always careful to point out that jurisdiction over this field is clearly with the provinces. He made that point and all other speakers have confirmed it. He also made a fairly good case for common standards of education across the country—not, as he said, where there is one history book and one geography text. Like the rest of us, he claimed that he would support a system which allowed for the maximum degree of diversity along the lines suggested so cogently in the Hall-Dennis report.

He then went on to make a very interesting and fairly compelling case for the calling of a conference to discuss such standards. I share the views of the hon. member for Fraser Valley West (Mr. Rose) that a conference is perhaps not the best forum. I suggest this would really fall to the council of ministers of education. I think that the step the hon. member took in the interval between his previous address to the House and his speech today, namely, if writing to provincial ministers of education and making the submission to which he referred, is a constructive and useful one.

The hon. member also made the point, and made it very well, that in a federation children raised in one province should not be penalized academically if for one of a variety of reasons the head of the household is transferred. I feel strongly that this is the sort of thing that could well be discussed by a council of ministers of education.

[*Translation*]

The Acting Speaker (Mr. Richard): Order. The private members' hour having expired, I now leave the chair until eight o'clock.

[*English*]

On a rainy day, in troubled times, the following lines might be consoling to some hon. members:

Be still, sad heart! and cease repining;
Behind the clouds is the sun still shining;
Thy fate is the common fate of all,
Into each life some rain must fall,
Some days must be dark and dreary.

Longfellow wrote those words in his poem "The Rainy Day".

At six o'clock the House took recess.

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

SENATE AND HOUSE OF COMMONS ACT

AMENDMENTS RESPECTING MEMBERS' SESSIONAL AND EXPENSE ALLOWANCES, ETC.

The House resumed consideration of the motion of Mr. MacEachen that Bill C-242, to amend the Senate and House of Commons Act, the Members of Parliament Retiring Allowances Act, and an act to make provisions for the retirement of members of the Senate, be read the second time and referred to the Standing Committee on Procedure and Organization.

Mr. Korchinski: Mr. Speaker, just before private members' hour I was attempting to point out that each constituency is different and that each member must therefore see things from a different point of view. I attempted to indicate that in many urban areas a great many people such as bricklayers, electricians, plumbers, and so on, earn more than the salary of a Member of Parliament. I represent a riding which is faced with a different situation: the average salary in my riding is much less.

There are many Indians resident in my riding, and I do not have to tell anybody what their average salary is. I represent a riding in which the miners are involved in a strike. Hon. members will appreciate the effects a strike situation has on a community which is almost solely dependent upon the payroll of one industry. For a consecutive number of years there have been crop failures in my area. This has caused a great deal of difficulty because the area is dependent upon the sale of grain. These are the types of people I deal with and live among.

To these people a large increase in the salary of a body of legislators is difficult to explain. Very few people really know the problems of others, but the salary an MP receives is public knowledge. People often get the impression that an MP is able to save his salary. Many have the impression that we still have the first nickel we were paid; they feel they have expenses, but we do not.

[The Acting Speaker (Mr. Richard).]

This situation remains difficult because the government has not devised a formula of increasing the salaries and allowances of Members of Parliament. Within one, two, three, four or five years, this or another Parliament will again be faced with a similar problem. The public seems to accept the fact that civil servants deserve increases. I think there is a time and place for this. In any event, I have to explain to my constituents an increase such as is proposed in this bill.

Perhaps to some extent this increase is justified. Like everyone else, my banker and I know what the situation is. I think a partial increase on the basis of a formula would have been far more acceptable. Even if I were to go along with the proposed increase—and there may be some justification for it—it is difficult to explain. In my federal riding there are no less than eight provincial constituencies. Each member of the Saskatchewan legislature receives $9,000, and the legislature may sit for only six or eight weeks per year. During the remainder of the year these representatives can be gainfully employed at their own occupations. In addition, these representatives are within easy reach of all parts of their constituencies: perhaps within an hour's drive they can visit all the areas they represent. They do not have to maintain a second residence because they are away from home only three or four days each week and can climb on a bus in Regina and travel home each weekend. When I compare this situation with my own, I wonder why I should apologize for any action of this type which the federal government sees fit to take.

Many of the Members from Saskatchewan represent northern ridings and have to fly into these areas in order to keep in touch with their constituents. In order to do so, one is lucky to get by on less than 50 cents per air mile. Hon. members can imagine how quickly this expense will grow. On such a trip a member might visit 50 communities where he sees some very shy children and a few squaws who have not accompanied their husbands to their jobs in the bush or on the fishing lakes, whatever the local employment might be.

• (8:10 p.m.)

You find out how fruitless and wasteful the expenditure of money can be in such areas, as well as how politically ungainful these things can be—because the money can be spent in many better ways. But, I believe these people have as much right as anybody else to be represented. When I realize that eight members of the provincial legislature take home something like $72,000 for representing the same area which I represent federally, and realize also that I am about 2,000 miles away from home, I think of the frustrations I have in attempting to maintain a farm for the future benefit of my family and myself should I be asked to stay home.

When I think of such things I have no hesitancy in respect of this increase. Most people, however, are very reluctant to accept it because when they look at the size of someone else's farm they believe that farming operation makes money while their does not. This is an automatic point of view. When I consider that some public servants, as I understand it, have had an increase from

1963 until the present time from $12,000 to $28,000 a year, I see some justification for our increase. But I think there must be a limit in respect of this whole matter.

In my final assessment of this question, I hope the government will take a hard look at the subject of salaries and place it in its proper perspective. I believe this question should be taken out of Parliament because nobody wants to talk about his own needs. I suppose our job is to talk about everybody else's needs but not our own. I suppose our families should tell us about our needs. This is not a very pleasant subject. It is not very pleasant to be involved in an argument about what we should or should not get, because each of us has his own requirements. All one needs do is become involved in a poker game with people who each have $100 to realize that pretty soon one or two individuals will have all the money and the others will either be in the hole or will have no money. This is the way of life.

However, if I should decide to vote against this bill I do not think I have any obligation to turn the money over to the government or to any other organization. I realize some members have committed themselves to such action. On reflection, I believe they may find in a year or two that their situation has changed and they will find things much more difficult than they do today. Whenever I vote for an issue which is voted down by the House, I have to live with it because it becomes the legislation of the land. If it should involve a tax increase, I must pay it whether I voted for or against it.

If, for instance, I should vote against Bill C-176 and Parliament should vote it in, I would have to live with it. I was in this House on the day when to all intents and purposes we voted down a government and one day later another vote was taken and the government was given another chance. Those were the rules that were established. I had to live with that decision. I voted for personal income tax exemptions, and they were not accepted —but I had to live with it. So I do not believe I must commit myself to anything. If Parliament in its wisdom says there will be an increase, so shall it be. But if it should say there will not be an increase, so also shall it be. I believe it is necessary that some of us stand up and object to these things. It will be a sad day in Parliament when someone does not rise and object to some of the actions being proposed.

I do not think an increase which can be interpreted to represent a 50 per cent salary boost can in any way be justified. We have lived through a period of several years and I believe we may be able to survive during the next year. I believe a better time for any increase would be after the next election. Perhaps a partial increase would have been acceptable at this time, but not a final one. I think that would have been a wiser course to have followed.

A formula should have been adopted in which rules would be set up to take this whole messy business out of this House. If it were taken out of this House, perhaps a commission could be set up either under the Auditor General or the Public Service Commission so that if an increase should be granted to the public service we would receive whatever increase might be applicable to the category in which it was decided we should fall. Although this is detail in which I do not wish to become involved, I believe it would have been a wiser course to have followed.

Another thing which might be noted at this time is that most of the objections to this increase have come from members from western Canada. It must also be noted that western Canada is the area of greatest frustration at this time under the present government. It is because we reflect the feelings of our constituents that we must speak out now to indicate that there is grave concern in the minds of many people about the course of action now being followed.

• (8:20 p.m.)

[*Translation*]

Mr. Gérard Laprise (Abitibi): Mr. Speaker, this debate, which has been going on for three days so far, is a very important one in that it is a touchy matter for members to vote themselves a raise.

This matter has been thoroughly aired over the last few weeks and it seems that this publicity has not brought about a clear understanding of the situation so far. This is why we have been receiving—for I believe my colleagues also have received a lot of mail—numerous protest letters on the subject of a raise in indemnities for the Prime Minister (Mr. Trudeau), for ministers and for members of Parliament in general.

A recurring argument advanced in these letters as well as in private conversations is that members should not be entitled to a big indemnity since they are not working. When people say that members are doing nothing, they do not mean so much that members are not working, but rather that they do not produce, that they produce little or badly, that is to say that most of the laws they enact, as is the case for that matter in most provincial legislatures, are not wanted by the electorate. In all their operations, Parliaments seem to be a knack for passing laws which people do not want. Therefore it is not surprising that there is a great deal of protest against the increase in the allowances and expenses of hon. members and senators.

Mr. Speaker, is a ticklish situation for hon. members to have to decide on their own allowances, but it seems that nobody else has the jurisdiction to do so. When an employee seeks an increase in salary from his employer, the latter considers first of all whether the employee is hard-working, qualified and efficient. Then, he will analyse the financial situation of the concern. If it is flourishing, the increase will likely be granted. But if it is in deficit, or on the verge of bankruptcy, I doubt that the employer will accept to grant the increase.

The situation being what it is, I feel the question is timely. Are all hon. members competent, industrious, efficient? That is what the public must ask themselves.

In addition, is the business of the country that prosperous, especially in the largest industry in the land, that is the Canadian Parliament?

The present economic situation leaves much to be desired. Indeed, were an industry as deep in debt as the

Canadian government is, it would not go very far. Were that industry to pay as much interest to financiers as the largest industry in Canada does, I am afraid it could not continue to produce and sell at a profitable price. Yet that is the situation of the largest industry in Canada. The Canadian Parliament must bear that monumental debt and pay $2 billion in interest this year. Yet, the administrators of that large industry are asking, in addition, that their allowances and expenses be increased.

When the last increase was voted in 1963, the main argument of the right hon. Prime Minister Lester B. Pearson was that in order to attract men of high caliber as prospective members of Parliament it was necessary to offer them a decent salary. I agree, but that same reason was given by the present Prime Minister, at least at a press conference following the introduction of the bill before us.

But did many men of value get closer to the present Liberal Party? I have no doubt that men of worth became interested in the Liberal party as in any other political party. However, have those talented men been fully efficient? Have they had the opportunity to let their constituents or the Canadian people benefit by their ability? This answer is quite simple. No. The system does not enable them to do so.

When we consider the actions of our government since 1963, we can ask ourselves if the laws enacted show the merits of the elected representatives. Do they represent what the people had asked from their representatives or from the government?

The repeal of death penalty for qualified murder, the legislation on divorce and homosexuality the liberalizament and inflation, were those measures asked to the representatives of the people? Do we deserve, in their opinion, this raise?

I have here a recently established newspaper run by one of the former colleagues of my hon. friends opposite, the Hon. Yvon Dupuis. This week, he asks the following question:

Are our Members of Parliament worth $30,000 a year?

According to Mr. Dupuis, the remuneration of $26,000, of which $8,000 are tax-free, is equivalent to a salary of $30,000 in other fields of the Canadian industry.

Do they deserve such a salary?

If each citizen asks himself the following question: "Is my MP worth $30,000 a year?", he may draw favourable or unfavourable conclusions according to the type of MP who represents his constituency in the Commons. Indeed, there are at least two kinds of MPs who have a different way of exercising their mandate. For instance, certain representatives of the people owe their election to the mere fact that they were candidates of the best party running or under the banner of the best leader—

Mr. Dupuis should have added "especially of the party with the biggest slush fund." There, he would have been on more familiar grounds.

He went on to say:

—our parliamentary system allows this kind of phenomenon even though this is basically unacceptable.

[Mr. Laprise.]

Then there are the members who were elected above all on the strength of their individual ability or of the prestige they enjoy in their communities. It is therefore easy to say that the former are overpaid while the latter deserve the greatest consideration.

Mr. Speaker, the best answer to that question is to be found in that paragraph. Many members have succeeded in getting elected only because they had the support of their party and they have spent some thirty years here without once opening their mouths. They are like fish. Do those members deserve a raise in salary such as the one now proposed?

• (8:30 p.m.)

On the other hand, there are many others in all parties who work hard for their constituents. Some give up 70 to 80 hours per week to the service of their electors. Those deserve a decent salary, at least as much as in the building trades in the large cities such as Montreal and Toronto.

Mr. Dupuis also speaks about the noodles, and I quote:

The late André Laurendeau and Gérard Pelletier (former newspaperman and editor of *La Presse*) were fond of saying that many of our members, especially in Ottawa, were noodles.

It is easy to describe the member who is a noodle. He is the one who never sees his electors, who does not take part in debates in the House, who does not belong to any committee, who is never seen anywhere during his four-year term and who only comes back before his electors once every four years to ask for re-election on behalf of this great leader or that great party.

Mr. Speaker, I have often heard a Liberal member of Montreal say that the best way to get elected is to be known as little as possible by the electors. Today this hon. member holds a certain post in the public service. He is now quite prosperous. And God knows that such members are numerous enough to be talked about.

We rely on our electors to find these ghost members who are not doing much in Ottawa. Of course, $30,000 a year is much too much for them. Is it not paying rather a lot per pound for noodles?

While reading an article in a newspaper called *Défi*, a newspaper of the people for the people, written by the people, where everybody may express freely his opinions, I remembered that in the index of House of Commons Debates for the current session, from October 8, 1970 to March 11, 1971, that is 94 sessional days, there were 13 Liberal members who had not yet made any comment. On the other hand, there were 12 who had made comments only once, 12 who had made comments twice, and nine who had made comments three times. It is a rather poor record!

Mr. Speaker, I would rather not name these hon. members. I think it would be deemed unparliamentary. At least, objections would be raised somewhere, I think. If it is agreeable to the House, I am ready to table the list which could be published as an appendix to *Hansard*.

Mr. Speaker: Order. The hon. member should know that, under Standing Orders, it is forbidden to table such a document. I will suggest to him that this is quite elementary.

Mr. Laprise: Mr. Speaker, I will comply with your recommendation and go on with my remarks.

Considering this much too high unemployment rate, the uncontroled inflation, the destitution, poverty and worry of those who still have a job, I feel this is not the right time for members of Parliament to grant themselves such a substantial increase at one fell swoop. When a third of our fellow Canadians are enduring hardships, with little hope of an improvement in their situation under the present system, they are justified in being dissatisfied.

I have here, Mr. Speaker, two or three letters from my constituents. I could quote from hundreds of that kind Here is one:

Mr. Minister,

The writer is not addressing the Prime Minister, or any minister. She just calls me "minister".

This is to ask you to peruse the notice of acceptance I received from the Quebec Pension Plan.

I am writing you because I have faith in your ability and in your efficiency within the government. This is why I would ask you to plead on my behalf with the provincial government so that they review the amount of the widow's pension they want to allow me.

Just a few weeks ago, her husband was killed in an accident and she received a notice to the effect that the Quebec Pension Board will pay her a monthly pension. The notice reads as follows:

We are pleased ...

They are tickled pink—

... to inform you that the Board has approved the application for benefits which you have made. Payments will begin at the under-mentioned date.

This is the glorious amount of $43.52 a month!

They are tickled pink indeed to inform the widow that she will be the recipient of this amount. She has a dependent crippled daughter. The widow will receive $43.52 a month for the winter of her years.

Mr. Speaker, I think that this lady has cause for concern. I think that she has grounds not to be satisfied with the increase in salary that we are about to vote for ourselves.

Here is another letter that reads as follows:

This is to ask you to help us. I appeal to you because you inspire confidence and I also know that you are very influential.

Do you think it possible to live decently on a meagre pension of $160 per month, which is the amount that I have been receiving as welfare until now, but the officer in the La Sarre office advised me that from now on I shall receive only $130 a month; I do not see how we shall be able to make it, as with this amount we must pay food, clothing, school and municipal taxes, electricity, everything; this is nonsense, do you not agree?

My husband is handicapped, I am sick myself, we must take a great deal of drugs the cost of which is prohibitive, and we cannot possibly pay taxes on our house.

This family has to live on $130 a month and thousands of other families are in the same predicament, not only in my own constituency but all across Canada. This situation is not exclusive to the province of Quebec. One merely has to read the proceedings of the Senate Committee on Poverty and the briefs submitted to them to know of the extent of misery everywhere in Canada. While we do nothing to stop the sufferings of people who did nothing to deserve it, we are considering a raise in our own salaries.

The importance of our representation here in this House certainly justifies an adequate salary. Our expenses run higher than those of the head of any industrial establishment, or of any store manager, or of any public servant because we have to fulfil so many requests from our constituents. But to make everybody understand that is hard enough and I believe that before thinking about the administrators we should think about the administered. There is one thing however the government should have considered in drafting the bill before us, namely to facilitate better contacts between members, electors and departments. That is why the right hon. Prime Minister should have provided for the services of a secretariat in every constituency. People say that we can afford it with our expense allowance. Yet everybody knows that is not the only expense a member has to make.

In a riding as large as mine—there are others also that are very large—at least three offices or more should be opened to give satisfaction to all my electors.

The Abitibi constituency is larger than any other, except that of the Northwest Territoriesî In fact, it is bigger than the four Maritime provinces together and greater than France.

Therefore, Mr. Speaker, needless to say that the $6,000 granted for expenses or the $8,850 granted to meet the needs of two or three offices in a constituency like that one, where one has to travel through the whole of New Quebec in order to visit remote communities, are absolutely inadequate.

The establishment in every constituency, like in the province of Quebec, of a well-equipped secretariat to meet the electors' requests, should have been provided for. Every weekend many people call on me or many others write to me during the week to ask me to plead their case with certain departments. Some people tell me that after writing four times, they have received no reply.

• (8:40 p.m.)

Therefore, if we had a well organized office, staffed with people in a position to contact the electors, the public servants and the departments during the week, with the help of the member, this would render a service not to the member but to the electors. The bill should have provided for the establishment of the services required.

Secondly, those who call on their member here are astonished to see in what conditions he must work. There is not a single civil servant, even among those earning only $6,000 per annum who would accept working in the conditions imposed on the member.

Imagine that the member who gets a phone call from an elector or must communicate with some department while two typewriters are running close by. Can the

member have an interesting conversation while he is deafened by the noise of two typewriters?

When some visitors call on us, we have to ask the secretaries to wait in the hall.

This situation should have been foreseen long ago. However, very little progress is being made.

I do insist on those points in order to have the situation corrected as soon as possible. In the Beaupré report, mention is made of those conditions. However, all the recommendations put forward therein have been ignored in the drafting of the bill before the House. This is one thing that surprises us and it will surely surprise both the authors of this report and the public.

We are often asked this question lately: "Will you accept this salary increase if the bill is passed? Of course, we will accept it. At least as far as I am concerned, I will accept it. When we vote against tax increases and that the majority, the government steam roller, votes in favour of those tax increases, we agree to pay for them. This is why we accept these salary increases if they are granted. The news media are already reporting that it is an accomplished fact. Such is not the case. Once we have accepted this increase, if it is adopted, we will use this money as we please. You can be sure that no member will be at a loss to dispose of this money. The numerous demands made upon us will make it quite easy for us.

I intend to vote against this allowance and salary increase because the government should have thought first of the people instead of their elected representatives.

[*English*]

Mr. Doug Rowland (Selkirk): Mr. Speaker, I shall not be long in my remarks. My purpose in speaking is to register my opposition to the legislation now before us which, among other things, provides for a rather substantial increase in the indemnity and expense allowance paid to Members of Parliament and Senators. I have two real difficulties in so doing. First of all, I do not want my remarks to be interpreted as an attempt at a public display of virtue. My objection is not to a pay increase as such but, rather, to the fact that the pay raise is being provided in the worst possible manner in a piece of legislation that could not be much worse if its drafters had been instructed to make it as bad as human ingenuity could devise.

My second problem is related to the first, in that I find so much wrong with the legislation that I hardly know where to begin criticizing it. I have taken note of the Prime Minister's invitation to amend the bill. I am not taking him up on that invitation because as legislation, this bill is so bad that it needs not so much amendment as total rewriting. The ineptitude of its sponsors is unbelievable.

I have sat in this House for only a year, but I have been able to supplement my limited personal experience on this touchy question of salaries by conversation with my colleagues in all parts of the House. There remains no doubt in my mind that the present salary and expense allowance works severe hardship on many members of this House. Such problems have been well documented in earlier speeches, so I need not go into them again. I am also convinced that the manner in which expenses, especially, are paid creates injustices and inequalities none of which are corrected by this legislation.

Thus, my first objection to the bill is that it does nothing to correct the inequities and injustices in the present method of payment—I shall return to this idea in a moment—and that it attempts to meet the financial problems of some members in a manner which can only suggest to the electorate that their representatives have their hand in the till up to the elbow.

I think it unacceptable that the Liberal government has once again chosen a course of action the end result of which can only be to further debase the reputation of this institution in the eyes of the public. I do not say it is unacceptable because as a member of this House the government's action will also cast discredit on me, although to be honest I do not like that effect one bit; rather, I say this legislation is unacceptable because it is short-sighted and wrong-headed to bring down a piece of legislation which can only further detract from the credibility of the central institution of Canadian democracy, and to do so at a time when powerful social currents are already placing in doubt the utility of the institution. So doing may cause more people to seek other channels of influencing the way in which they are governed, some of which may have the decidedly adverse effect of intensifying the aura of societal confusion and disintegration which characterizes this decade.

This rather unsavoury aspect of the legislation could have been avoided by the simple expedient of having the increase come into effect, not last October but, rather, at the beginning of the next Parliament. I know the Prime Minister (Mr. Trudeau) has said that this approach was rejected because he felt it would have the effect of making the next election centre around the issue of MP's salaries and that, in effect, we would be treated to the ridiculous spectacle of candidates for Parliament bidding for office on the basis of how much lower than their opponents' would be the salary they would accept. Undoubtedly, some of the more simple-minded candidates would adopt such an approach but I have enough confidence in the good sense of the Canadian electorate to believe that it would get them very far.

• (8:50 p.m.)

On the other hand, making the raise take effect at the beginning of the next Parliament would give the Canadian public the sense that they do have something to say about the remuneration their representatives are to receive—an opportunity denied them by this legislation. Moreover, it would enable them to view candidates with an eye to determining which of them would be worth the increased emolument, and it would meet the argument—which to me has considerable validity—that we agreed to run for the office knowing what the salary would be and we have no business altering the agreement midway through the term of our contract.

My second objection to the legislation is that it offers no formula to spare Parliament from having to go through this ridiculous and degrading exercise in the

future the legislation contains no provision for regularizing the process of reviewing salaries of Members of Parliament. In a letter to all members of this House, the hon. member for Kenora-Rainy River (Mr. Reid) drew to our attention the procedures for review employed in New Zealand. The leader of my party has suggested relating MP's salaries to those paid to a selected salary classification in the public service. Many other suggestions purporting to have a similar effect have been put forward, but none of these is included in this legislation. Because this legislation makes no attempt to regularize the salary review procedure, and because it has the effect of perpetuating the currently entirely unsatisfactory method of salary review, it is bad legislation and I am opposed to it.

My third reason for opposing the legislation is that it does not meet our most pressing needs as members of this House. It does not provide us with the services, the accountable expense allowance—I emphasize the word "accountable"—nor the staff necessary to adequately discharge our duties as Members of Parliament. It does not provide us with the means necessary to provide our constituents with the kind of services they have a right to demand of us. Nothing could do more to assist us in re-establishing this institution as a relevant, important and central institution of our democracy than providing Members of Parliament with the tools properly to do their job. If we were able properly to do our job, I am sure there would be few objections raised to our receiving a salary commensurate with the responsibilities and the demands of our position. However, this legislation makes no provision for levels of service to members necessary to enable them effectively to do their job.

Finally—and this is not my final objection to the legislation but merely the final objection I wish to inflict upon the House this evening—this legislation does not rid us of the very distasteful practice of placing Members of Parliament and Senators in a special category by providing them with a non-accountable expense allowance. As long as the expense allowance remains non-accountable, the public will continue—with every reason—to view with a jaundiced eye our protests of virtue that this money is spent on doing our job. As long as expenses remain unaccountable, the inequities and injustices within this chamber will persist.

Because of the nature of my constituency, it costs me more to represent it properly than it does the hon. member for Winnipeg North Centre (Mr. Knowles) to represent his, while the hon. member for Churchill (Mr. Simpson), whose constituency covers two-thirds of the land area of Manitoba, encounters more expenses than I do. Yet we all receive the same expense allowance. That is unjust. A fully accountable expense allowance incorporating the substance of the recommendations for classes of expenses, maximum limits and differentials, according to the type of constituency, included in the recommendations of the Beaupré report, would have helped overcome these injustices and inequities. There are no such provisions in the legislation before us; therefore I oppose it.

I now come to the awkward part. I intend to vote against the legislation; but what will I do beyond that, should the legislation pass? I can only say I will ensure that I receive no financial benefit from the increased indemnity for the duration of this Parliament, nor will I collect it in the form of back pay should I be re-elected. How I will dispose of it, I have not yet determined, although it will probably be in the form of a gift to the Crown in right of Manitoba because that government at least makes the kind of mistakes which I would be likely to make myself.

Some hon. Members: Hear, hear!

Mr. Rowland: I realize that what I intend to do is merely a gesture and, beyond that, a gesture which is a luxury some members simply cannot afford. For various reasons, including the fact that my children are still too young to involve much in the way of additional expense, and because my parents are still willing to support me to the extent of supplying me with a room and a free car when I am in my constituency, I can afford to make this gesture and thus reinforce my protest against the legislation. Because it is bad legislation, and because I can afford to do it, I am doing it.

I do not feel particularly happy about taking this action. I do not even feel particularly virtuous. I simply feel that this is one of the few occasions presented to me where I can do something meaningful to register my protest against yet another act of stupidity on the part of this government, and I intend to take advantage of it.

As this legislation concerns me directly and no other class of citizen, for once I am placed in the situation where I do not have to vote for an essentially bad piece of legislation because it has some good points and will help some people. For a change, I can say it is bad legislation and I want no part of it. That is what I am doing.

Mr. Guay (St. Boniface): Mr. Speaker, would the hon. member permit a question?

Mr. Speaker: Would the hon. member permit a question before he resumes his seat?

Mr. Rowland: Yes, Mr. Speaker.

Mr. Guay (St. Boniface): In view of the sincerity of the hon. member for Selkirk (Mr. Rowland), I would ask if he is in favour of the increases that the NDP government of Manitoba is giving the total membership—an increase from $7,600 to $12,000 per year—in view of the fact that the provincial governments sit approximately two and one half months per year? Does the hon. member favour that?

Mr. Rowland: Mr. Speaker, I can say quite frankly that I think the legislators in Manitoba are underpaid.

Some hon. Members: Oh, oh!

Mr. Rowland: I have not seen the details of the legislation to which the hon. member has referred. If the legislation is framed in the same way that the legislation

before us is framed, I would have the same objections to it, but I doubt very much that it is.

Some hon. Members: Hear, hear!

Mr. Guay (St. Boniface): Just one short supplementary, Mr. Speaker.

Mr. Speaker: Order, please. The hon. member does not have the floor. The hon. member can make a speech if he wishes to do so. The hon. member for Selkirk (Mr. Rowland) can be deemed to still have the floor and allow a further question from the hon. member.

Mr. Guay (St. Boniface): Thank you, Mr. Speaker. I would also like to thank the hon. member for Selkirk. In view of the proposed increase in the province of Manitoba, and in view of the fact that over and above the $12,000 salary they are proposing to pay $40 per committee meeting, I would ask the hon. member for Selkirk whether he favours that idea of the NDP government of Manitoba.

Some hon. Members: Shame!

Mr. Rowland: By virtue of the fact that I have not seen the legislation, I can only repeat what I have already said to the hon. member.

Mr. Arnold Peters (Timiskaming): Mr. Speaker, like many other members I am very concerned about this matter. I am concerned in the same way that I was in 1963. At that time we probably did not hold-out long enough to make any major change in the legislation. I am not sure whether we can do that at this time. It may be very well for a board of directors to arrive at a salary increase with the agreement of five or six of its members, knowing full well that the company they are operating belongs mostly to them: in most cases the directors control the majority of the stock, so it is not unreasonable for them to vote an increase in their own salaries. The other shareholders probably do not care very much about it.

• (9:00 p.m.)

In our case the shareholders care very much indeed, and their attitude is a reasonable one because they assess the situation in terms of their own wages and responsibilities. It is very hard to determine the responsibilities and duties of a Member of Parliament because they vary so much from one constituency to another. Many members over the years have given a great deal of themselves and sacrificed a great part of their family lives in representing their constituencies. They have gone much beyond what would normally be considered the normal call of parliamentary duty. On the other hand, there are members who don't do a damn thing in return for the money they get—and that is a fact. There are members who seldom, if ever, are here. I am sure we can all look around and think of people we only see a few times a year.

Mr. Baldwin: And there are some we see too much of.

[Mr. Rowland.]

Mr. Peters: That may well be true; but as long as this is a place for talk, anyone doing that is fulfilling part of his duty. My hon. friend who just finished speaking left me with the impression he would favour leaving the matter up to the voters. This would be an excellent way of doing it after an election, but I can imagine the chaos it would cause during an election. There are some who are sufficiently well-off to get on the negative side—"If you vote for me I will give the constituency $50,000."

Mr. Hogarth: Arnold, take your money and sit down.

Mr. Peters: That is the easy way. That is what is wrong with this legislation. Some are saying the constituencies should have a voice in this, and I think they are right. For a long time the hardest wage negotiations in the unions were those conducted with their own staff. I have sat a number of times in talks with two large international unions when these matters were up for discussion. These are the people who negotiate on behalf of all their membership. They negotiate for all kinds of trades and they take whatever the traffic will bear. But when they start negotiations with a district director or national director, the shoe is on the other foot; it is a case of how cheaply they can run the organization and how much they can get away with.

When these representatives were negotiating with their own staffs they said: Let us be reasonable and fair, but let us keep it as cheap as we can get away with. This is partly the trouble we have in Parliament. I would be pleased to support this legislation if I were sure the committee would insist on doing something about the kind of negotiations we carry on. Surely we can attach ourselves to some segment of the civil service, not deputy ministers because the government decides what their salaries should be, but we should be able to attach ourselves to some senior division of the civil service on whose behalf bargaining is conducted by outside agencies. I realize the idea is not new; it has been mentioned by a number of others.

No doubt the government will make something of this debate, but I think the House is likely to do what the hon. member on the other side said, that is, sit down and take the money.

An hon. Member: You are going to take it.

Mr. Peters: Certainly I am going to take it. That is the part I don't like. The hon. member says I am going to take it. I represent one constituency of this country and as its representative I will get the same salary as any other member. It will be equal to any other. That remark was an insult; the kind of insult you always get from nincompoops. But I do not want to be sidetracked. Let me make it clear that in my opinion it is cheap politics for any member to say he intends to take less for his riding than other members who are paid to represent their constituencies. What I am suggesting is that we are doing a lousy job of deciding how to arrive at a suitable arrangement. But whatever is decided in the end will be the result of a majority decision in the House, and every constituency is entitled to the same amount of money no matter where it is situated.

Mr. Hogarth: And you will tell them you voted against it.

Mr. Peters: I intend to vote against it, against the system. Mr. Speaker, the hon. member for New Westminster (Mr. Hogarth) has arrived very late. I have gone over this before. I assure him that if he can change the system, if he will arrange for our salaries to be linked with those of civil servants on whose behalf bargaining takes place, I will support the bill on third reading no matter what the conditions are. I went through this once before. I told my constituents: That is the amount of money which will be paid. I voted for it and all you have to do now is indicate who you think is going to earn that money for the riding. And that is the way it will be after the vote is taken.

For some time now our interests have been diversified. Many of us are in the House less often than we used to be. We attend committee meetings and take part in the work of Parliament in other ways. But listening to many debates recently, especially about nine o'clock at night, I have noticed there has only been about one person in the press gallery. Tonight there are quite a number of people in the press gallery.

Mr. Gleave: Probably they ran out of booze.

Mr. Peters: I shall not make a pitch to the press gallery, but one of the difficulties about deciding the pay of parliamentarians is that we must do it in a fishbowl while great agonizing goes on in the news media. This matter will be discussed for years. It is only recently that I have gone back to earning $12,000 a year; for a long time it was $18,000 a year. Now, to make the increase appear larger, it is $12,000. When the members of the Ontario legislature got as much as they did, I was surprised to find there was very little said about it in the press. But when we get any concession there is a great deal of coverage, most of it adverse.

There are other questions which must be answered before the question is settled. One is the idea of making crooks out of Members of Parliament simply because the commissioners of internal economy reached a decision regarding the interpretation of one word in an act which was already on the statute books. When a member of Parliament is out of Ottawa he telephones his office, asks for himself, and his secretary says that he is not there. When Bell Telephone makes the connection with the member's office they are given the number from which he is calling, the office then phones that number back and as a result the call costs nothing.

• (9:10 p.m.)

We are proposing to pay Members of Parliament $26,000 indemnity and expenses, but surely to God we can make honest men of them! It is rather like the prostitute who wants her customer to pay for the bed; it is a small consideration. But after all, if I get $26,000, why steal nickels from Bell Telephone?

An hon. Member: What do you want, double the amount?

Mr. Peters: I am sure every member does. If not, he must be nuts. After all, Bell Telephone pays the bill and we have not yet nationalized that company.

There are other considerations. Many of my colleagues have referred to improved accommodation, and I think there is a great deal to be said in support of that argument. But I am going to oppose this bill just the same. If there is no real issue for the next election campaign, someone will make an issue of our pay increase and some members will be defeated because of it. In 1963 only ten of my colleagues voted against similar legislation, as did the former Leader of the Opposition—and only three of those ten are still in the House, the right hon. member being one of them. So I do not have much sympathy—I say this sincerely—for those who oppose this legislation on the ground that they will run into problems in the next election campaign.

There is no doubt that we need an increase in indemnity, but we should not have had to wait ten years for it. Colleagues of mine in all parts of the House are in serious financial difficulties. It may be their own fault in that they have been overly generous, but you are always asked to be fairly generous when people are trying to raise money for charitable purposes. It is very nice if you are affluent enough to make a hand-out as a sort of emergency measure. I remember that prior to the 1963 increase I was getting a further $1,000 into debt to the bank each year and, like every other hon. member, if I was out of town I tried to get someone to buy me a meal. I simply did not have the three bucks for the price of a meal. I am not suggesting that I am badly off. My family has mostly grown up now and I do not need as much as some other hon. members. Certainly I do not need as much now as I did when I had a family of five or six children at home who were growing up.

An hon. Member: Well, which was it?

Mr. Peters: The hon. member laughs when I give the number of children I have had. Some people have a set number of children, but at my own home this was not necessarily so. One night I went home and found we had added another 15-year-old. My other young boys found him sleeping in a car and since it was getting cold decided to bring him home, and he lived with us for about a year and a half. So the number varied. I thought I should explain that, Mr. Speaker.

I do not oppose this legislation on the question of amount. I oppose it because I am afraid that unless some of us take a very strong stand we will again find ourselves passing the same sort of legislation some time in the future. I do not think it is fair to ask Members of Parliament to vote their own increases. We should not be put in this kind of position. There is a rule that we are not allowed to participate in something that is to our financial advantage, and with the exception of increasing our salary it is true that we do not.

I think a government that has pledged itself to providing leadership should appoint some person outside the government to negotiate our indemnity so that the public is made aware of how the negotiations are carried on.

Without this we will again find ourselves agonizing over similiar legislation. No matter the outcome of this vote, I strongly urge that we attempt to solve this problem and that in doing so we make no distinction between the remuneration paid a member from one riding as opposed to that paid a member from another riding. The indemnity should be the same for all members. If an hon. member wishes to give large grants to charity, that is his affair. We each represent ridings which are equal in terms of this Parliament and in terms of the law. Therefore, I strongly urge that no attempt be made to change the situation.

Mr. Baldwin: Mr. Speaker, I wonder whether I might ask the hon. member a question. I was impressed by what he said and I have the same problem as he, but would he be more inclined to support this legislation if the government House leader were to indicate, when he winds up the debate, that it is the intention of the government to establish a committee charged with the responsibility of examining the question? Such committee could examine ways and means of dealing with the specific problems to which he has referred, such as arriving at some formula by which our increases are dealt with automatically from now on, and the question of expenses which has bothered a lot of members. If the government House leader would indicate that it is the intention of the government to refer the question to a committee, would the hon. member change his mind on this bill?

Mr. Peters: I should like to be able to say yes, Mr. Speaker.

An hon. Member: Don't waffle.

Mr. Peters: Waffles from all sides of the House come in different shapes and categories. I should like to say yes, but I do not believe that the minister will say that, because the matter has already been referred to a committee. I am sure that that committee will make some decisions in this regard. If the minister can give that categorical assurance, I would support the bill; but I do not believe the President of the Privy Council can do so, even though he might be willing to try. I will wait until third reading, which is acceptance of the bill, and if that kind of proposition is put forward I am sure a lot of other hon. members as well as I would be pleased to support the bill, though doubtless many others would not.

Mr. Deputy Speaker: Order. Before I recognize the President of the Privy Council (Mr. MacEachen) I should advise the House that if the minister speaks now he will close the debate.

Hon. Allan J. MacEachen (President of the Privy Council): Mr. Speaker, I hope not to take too much time in making some comments and that I will maintain the generally moderate tone of the debate. I congratulate hon. members who have participated and who almost without exception have resisted partisan considerations when making clear their positions.

• (9:20 p.m.)

Having listened to all the speeches, my impression has been reinforced that this is a very difficult issue. Almost every member who has spoken has had a somewhat different approach. While most members of the NDP who spoke were generally opposed to the bill, there was a very distinct difference of opinion within that party on certain details.

I begin by saying that foremost in the minds of most hon. members was the effect that the passing of this bill would have on the image and credibility of Parliament. That is a real concern, and it seems to me something ought to be said on the other side of the issue. It is true the image and credibility of Parliament will be judged in part by what we do on this issue, but it will also be judged by the people of Canada on what Parliament has done in this and previous sessions to assist broad classes of people in the country. It would be unfortunate if we supported the impression that no progress had been made in other fields during this session. We have dealt with old age pensioners—

Mr. Knowles (Winnipeg North Centre): Forty-two cents' worth.

Mr. MacEachen: We have dealt with retired civil servants, we have dealt with retired CNR pensioners, we have dealt with adult members of the labour force, through unemployment insurance amendments and amendments to the Canada Labour (Standards) Code, and we have dealt with a major summer program for students, costing $57 million, bearing in mind that the cost of this measure represents a small part of the total program for that group. We have on the order paper a number of measures dealing with assistance programs for the farmers in Canada. I make this point in order to clarify for my own benefit and for others that Parliament has been occupied all this session with issues affecting the people of Canada generally, and we have for these three short days been dealing with an issue that is very troublesome but does affect Members of Parliament.

The leader of the NDP, I am sure mistakenly and not deliberately, made a point in his speech which I should like to mention. It had been mentioned earlier that day in an editorial in one of the daily newspapers. It was to the effect that in making the last increase in 1963 it had been intended that the increase would take into account future years as well as past years. I have read the entire debate of 1963 and nowhere can I find any reference by any member of the House, let alone of the government, that the increase made in 1963 was to be projected into the future. In fact, the opposite case was made by the then Prime Minister, Mr. Pearson, who stated that the increase was large because the government and Parliament had failed to act for a long period of time, and because of the increase in the cost of living and the general cost increase. For those reasons the increase made in 1963 was very large.

Hon. members have said the timing of this measure is wrong. Of course it is wrong. There will never be a good time to increase the salaries and allowances of Members

of Parliament in this way and the timing will continue to be wrong in the future. In 1963 the action was taken at a time when the economy was on the upswing and unemployment was relatively low, or at least declining. Yet the increase was criticized by many of the same people who are questioning the present increase as being unwarranted and inappropriate. I agree that the timing is wrong. It will never be right; and it will never be right because there will never in my lifetime be a time when all the needs of the Canadian people will have been met, when every aspiration will have been realized, when every goal will have been reached in social and economic fields so that at that moment we could say: Now is the time, because everything is fixed up in every field and members should have a raise.

When I was speaking earlier I remembered a speech made by the late Clarence Gillis who spoke in favour of the pay increase of 1954. He said, in effect, "I have fought all my life to improve social security and to eliminate unemployment, and I continue to fight. I do not see that my efforts will be reduced if I now recommend that the salaries of Members of Parliament be increased."

The hon. member for Winnipeg North Centre (Mr. Knowles) took the view that it would be better to eliminate poverty entirely and it would be better to reduce unemployment or remove it altogether before taking action on this issue. I seriously suggest to him that this applies to every sector of the economy. Carried to its logical conclusion, a well-organized group of workers should not increase their own wages through collective bargaining and should not be permitted to do so under that prescription, unless those less fortunate and the weaker in the economy are brought up to their level. I do not foresee when it will be possible to totally reach our social goals making it possible to do something about members' salaries.

That places all of us in the unfortunate dilemma of admitting that everything is not 100 per cent in our society but that we are taking this action. I do not see much comfort, either, in the solution advanced that we should not decide on this question until after another election, that is, that we should do the job at the next Parliament. That suggestion has a certain attraction but one could question its validity. It would almost certainly make the question of members' indemnities a matter of partisan debate. It would certainly make the level of remuneration an election issue.

Do we want to make it an election issue? It would be bound to encourage candidates and prospective members, who were well-heeled, to offer themselves to the electorate at a lower rate of pay in the hope they would be elected instead of persons of modest means who needed all the income in order to carry out their responsibilities. Is this what we want? Is this our objective? Do we think this would improve the credibility or the image of Parliament? As was pointed out by the hon. member for Selkirk (Mr. Rowland), if we pursued that possibility the government would probably state its future policy before the election.

• (9:30 p.m.)

In any event, the pay and allowances proposed in this bill, if carried, will be subject to the strictures of the electorate at the next election. We cannot escape that responsibility. They will know what has happened, and if they wish they will bring this government to task if they feel it has gone too far. Suppose, however, that the government did take a position and held it over until the next election. Members and candidates would be free to choose their own course in the election campaign, by the very nature of things.

If, by the way, the proposals were to take effect only after the electorate had passed judgment—a situation which does not often happen in our system because verdicts on legislation are usually given by the electorate *post facto*—under what circumstances is it to be concluded the proposals have been sanctioned by the voters? I wonder how one would determine that the proposals had been sanctioned by the voters. Would this be determined by the re-election of the government which proposed the increases and, if so, would it apply even though that government did not receive 50 per cent of the votes cast? If the majority of members—this is probably what would happen—of all parties spoke out against the increases during the campaign, would this mean that the increases would not take place even if the government which proposed the increases should be elected?

I see nothing but difficulty in this course of action. We can talk about a problem at the moment, or talk about a dilemma—but this is what we would bring about if we put this issue before the people in an election campaign. That is my personal opinion. I believe it is much better, in the interest of Parliament, to do the job now and take our responsibility as a government and as Members of Parliament. I have said the government is not selling this legislation to anybody. We do not think we have much to gain politically by bringing in this legislation. There are a few politicians on this side of the House as on the other side, and they know there is not much to gain. But we do it because—

An hon. Member: It is a matter of principle?

Mr. MacEachen: No. We do it because, as the hon. member for Selkirk said, there are members in this House who are suffering severe hardship. That is our difficulty. The hon. member for Timiskaming (Mr. Peters) has stated in somewhat similar terms the difficulties faced by members of the House of Commons. That is why the government is bringing in this measure. We have been told by our supporters what their difficulties are, and we have been told by members in other parts of the House what their difficulties are. It was only after we had heard that and after we had appointed an independent committee that we decided to bring in this measure.

Remember that before we had the committee we thought everything would be a lot easier if an independent body recommended what we ought to do. We said that if an outside body looked at us and told us what to

do, we would accept it, the public would accept it and it would be a lot easier. We had the independent examination by the committee and we did not have—I do not know what to call it—the courage to go all that way and decided to give, on the salary side, a little better than half what the independent body said we were worth. That is what is before the House on the salary side, and members are not satisfied. Members still ask for an independent body. It would not help us to have an independent body make recommendations in the future, because we would still have our own misgivings. The only way that would work—and I refer to the comments of the former leader of the NDP, the hon. member for Nanaimo-Cowichan-The Islands (Mr. Douglas)—would be not only to give that independent body the right to examine but also the right to fix the rates. That is the only way it could be taken out of Parliament.

But having made the canvass of members themselves, having had the Beaupré report tell us what we ought to get, and having had consultations in our own caucus and with all the opposition parties, we finally came forward with what we thought was probably the best and most acceptable arrangement considering the diversity of views which exist. Everybody has a different idea about what should be done. Some say the raise is all right but the expense allowance is wrong. Some say the raise is fine but it should come after the next election. Somebody must take the responsibility. The government did take the responsibility and placed the bill before the House, and the House now must take its responsibility and accept it or reject it. That is the way our system works.

Some hon. Members: Hear, hear!

Mr. MacEachen: We have had a very good debate. I believe any person who wishes to read the debate will find that every point of view has been canvassed. I am sure that nothing I say will convince hon. members who have made up their minds to go a certain way. I am satisfied nothing I say will change their point of view. That is fine, but I believe it is important to have all points of view on the record.

I wish to conclude by referring to comments made by a number of members, the most recent of which is a comment by the hon. member for Timiskaming. He wondered why we did not provide a formula for the future. It is not that we did not think of it or consider it; it is simply that we did not have the conviction that we could devise a formula that would fit the situation. Is Parliament ready to give an independent body the right, not only to consider what the remuneration should be but also the right to fix the rates in the same way we have given the Representation Commissioner and his group the right to fix electoral boundaries? Many Members of Parliament would say we went too far in giving that right to an independent tribunal. Do we want to do that?

We considered the idea put forward by the leader of the New Democratic Party (Mr. Lewis) which was supported by others and which has a certain value, namely, that we tie our rates in the future to an appropriate public service category or to a range of categories. We were on the verge of accepting that idea. Why did we not accept it? The government at some point is obliged to set rates for the public service. It might be better to attach these rates to the bargaining groups, but at some point the Treasury Board, the representatives of the government, must agree on what the final bargain is to be. That is understood. We wondered whether there would be a ground for criticism to the effect that the government, in setting the rates or in agreeing to certain rates might have had in the back of its mind a way of increasing the rates for Members of Parliament.

• (9:40 p.m.)

Mr. Lewis: Not even your government would do that.

Mr. MacEachen: Perhaps we have been much too punctilious and much too perfectionist—

Mr. Peters: Could I ask the minister a question?

Mr. Deputy Speaker: Order, please. The hon. member may ask a question if the minister is in agreement.

Mr. MacEachen: I want to complete my remarks. I will answer the hon. member's question later. I want to say that we are still interested in this proposal, and if in the committee members generally feel that this is a common ground by which we can set rates in the future for allowances and expenses, we will honestly search for that solution.

Some hon. Members: Hear, hear!

Mr. MacEachen: If members generally feel that tying it up with some appropriate category—I do not know what it will be—that will be generally accepted is the right way to proceed, then we will search honestly for that solution, because we have not ruled it out and I told hon. members quite frankly why we did not put it in the bill. I think it would be much better to have it come this way than through a government recommendation before the debate commenced.

I have nothing to add to what I have said, except to refer to the comments I made on the non-accountable, tax-free allowance. That has been subject to considerable discussion. I will not repeat the arguments I made. I said when I introduced the bill that it was an arguable point and we decided to move in the direction we did on the basis of the argumentation which I gave in introducing the bill and which I will not repeat at this time. So we are not rushing this bill forward. If it goes to the committee following the vote, the committee can examine the details of the bill, and certainly, speaking on behalf of the government, let me say that we are ready to search honestly for a future formula.

Mr. Peters: May I now ask the President of the Privy Council (Mr. MacEachen) a question? In referring to bargaining in the public service he indicated that bringing in bargaining units from outside would have some effect on that bargaining unit. Was he referring to the fact that if there were any serious difficulty in those negotiations, Members of Parliament might line up on the side of the civil servants for strike action?

Mr. MacEachen: What I was saying is that I have full confidence that no government would use this route to improperly effect increases for Members of Parliament. The question I raised was whether our critics might not say that a certain bargain may have been influenced by the fact that Members of Parliament might need a raise or might welcome a raise. If we can remove that possible criticism, then we would search for that kind of formula.

Mr. Lewis: May I ask the President of the Privy Council (Mr. MacEachen) a question in order to clarify this matter? Is it not true that bargaining is not done by members of the government but, rather, by the top civil servants on the staff of the President of the Treasury Board (Mr. Drury), and that the top civil servants are as much affected by increases that might be given to the bargaining unit because eventually, as sometimes happens, everyone else might be? Is it not true that that is the point which the President of the Privy Council should have in mind, that it is not bargaining between Members of Parliament and bargaining units but, rather, between senior civil servants and the bargaining unit?

Mr. MacEachen: It is quite true, but in the final analysis the stamp of approval and the responsibility for any final bargaining must be taken by the Treasury Board, by members of the government. That is the point I have been making. I am delighted to sense that perhaps my fears in that direction were not as well-founded as I had thought earlier.

Mr. Deputy Speaker: Is the House ready for the question?

Some hon. Members: Question.

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

Some hon. Members: Yea.

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

Some hon. Members: Nay.

Mr. Deputy Speaker: In my opinion the yeas have it.

And more than five members having risen:

Mr. Deputy Speaker: Call in the members.

The House divided on the motion (Mr. MacEachen) which was agreed to on the following division.

• (9:50 p.m.)

YEAS

Messrs:

Allmand
Andras
Badanai
Baldwin
Barrett
Béchard
Beer
Bell
Blair
Blouin
Borrie
Boulanger
Breau
Buchanan
Cafik
Carter
Clermont
Cobbe
Comtois
Corbin
Corriveau
Crossman
Crouse
Cyr
Danson
Éthier
Fairweather
Faulkner
Forest
Forget
Foster
Gendron
Gervais
Gibson
Gilbert
Gillespie
Guay (St. Boniface)
Guay (Lévis)
Guilbault
Hales
Hopkins
Howe
Isabelle
Jerome
Kaplan
Lachance
Laing (Vancouver South)
Lambert (Edmonton West)
Lang (Saskatoon-Humboldt)
Laniel
Leblanc (Laurier)
Lefebvre
Lessard (LaSalle)
Loiselle
Lundrigan
MacEachen
Mackasey
MacLean
McBride
McCleave
McCutcheon
McIlraith
McIntosh
McNulty
Major
Marceau
Marchand (Langelier)
Marchand (Kamloops-Cariboo)
Marshall
Monteith
Moore
Munro
Murphy
Murta
Nesbitt
Noble
Noël
O'Connell
Olson
Orange
Osler
Ouellet
Paproski
Peddle
Pepin
Portelance
Prud'homme
Reid
Richard
Ryan
Smith (Northumberland-Miramichi)
Smith (Saint-Jean)
Stanbury
Stanfield
Sulatycky
Thomas (Maisonneuve-Rosemont)
Thomas (Moncton)
Thompson (Red Deer)
Tolmie
Trudel
Turner (London East)
Turner (Ottawa-Carleton)
Wahn
Walker
Watson
Weatherhead
Whiting
Woolliams
Yewchuk—109.

NAYS

Messrs:

Beaudoin
Benjamin
Brewin
Broadbent
Burton
Caouette
Dionne
Douglas
Fortin
Gauthier
Gleave
Godin
Howard (Skeena)
Knowles (Winnipeg North Centre)
Lambert (Bellechasse)
Laprise
Latulippe
Lewis
Mather
Matte
Nystrom
Orlikow
Peters
Rodrigue
Rose
Rowland
Saltsman
Schumacher
Skoberg
Tétrault
Thomson (Battleford-Kindersley)—31.

• (10:10 p.m.)

Mr. Speaker: I declare the motion carried.

Motion agreed to, bill read the second time and referred to the Standing Committee on Procedure and Organization.

Proceedings on Adjournment Motion

PROCEEDINGS ON ADJOURNMENT MOTION

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

ELECTIONS—PROVISIONS OF RIGHT TO VOTE TO CANADIANS RESIDING OUTSIDE COUNTRY

Mr. Colin D. Gibson (Hamilton-Wentworth): Mr. Speaker, the question I raised before the House tonight involves the enfranchisement of Canadian residents outside Canada when an election is called. Our election laws have been progressively improved, augmented and modernized, and I submit with great respect that the time has come to enfranchise all Canadians who can in practice be included on the election list before writs are called.

This question is prompted by my attendance at the United Nations as a parliamentary representative. I discussed this subject with many of the staff at the United Nations, Canadians employed there more or less permanently? They were distressed that they did not have the right to cast their ballot. I understand some steps have been taken to improve the situation and that they may be included at the next election: some progress has been made.

There are other employees at the United Nations in New York, particularly—I understand there are about 250 of them—who are concerned about this issue and I suggest polling arrangements should be made for these people. Possibly a special advertisement could be placed in one of the New York newspapers. I do not confine it to New York; I realize it is a long-range plan.

I understand France has a system of enumeration under which some attempt is made to give every French citizen, no matter in which part of the world he lives, the opportunity to vote. This is the direction in which we should be moving, and I commend the government for the action they have already taken in regard to the Canadian staff at the United Nations. It seems to me that in these days of fast communications, and with the type of government we have at present, with a real push we could make the effort to see that non-resident Canadian citizens are given a chance to cast their ballot at election time. After all, all Canadians are equal in the eyes of the law; that is a simple rule of law which is enshrined within the Bill of Rights. All Canadians have the same rights.

I have often wondered what would happen if the agent of, say, a resident in London, England, applied to the courts of one of the provinces for an order of mandamus regarding his placement on a residence list in Canada. There might be a technical flaw to such an application, but I would rather see the law changed now than wait for this sort of situation to arise. I can envisage a judge having a very difficult time struggling with a case brought under the Bill of Rights where through oversight or lack of planning a Canadian citizen had become disenfranchised.

I realize that this is not the sort of matter that can be remedied overnight. Nevertheless, I submit that in large centres outside Canada arrangements could be made for polls to be transmitted through the mails. For example, we could examine the French system and in time evolve our own system under which all Canadians who left the country would know what their rights were. I submit that this would be a worth-while reform and I hope action along this line will be taken.

Mr. Barnett J. Danson (Parliamentary Secretary to Prime Minister): Mr. Speaker, as the hon. member knows, at the present time only members of the Canadian armed forces and those persons considered as public servants may vote outside of Canada. The Canadian armed forces have their own polling stations on their installations, and public servants may contact the nearest Canadian embassy and see the officer responsible for handling the vote. Persons employed by the United Nations and who are considered as public servants may vote, which is a point that the hon. member would like to see clarified. At the present time there is no provision under the act for those other Canadians living outside of Canada who are not in the above two categories to vote.

The hon. member's representation is a thoughtful and serious one and I shall be pleased to bring it to the attention of the Prime Minister (Mr. Trudeau).

NATIONAL PARKS—BONNE BAY—LETTING OF CONTRACT FOR SURVEY WORK

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, I apologize for having to bring back the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Buchanan). I wish to inquire into the letting of a contract for survey work in regard to the establishment of a national park in my district on the west coast of Newfoundland. I am not so concerned about the letting of the contract for survey work as I am with the effect it will have on the people living in the area. There are many Newfoundlanders living within the boundaries of the proposed national park and I am concerned for their future.

Tonight I am asking the parliamentary secretary to say what are the implications for these people. I have offered the government many suggestions in this regard, on many occasions. I feel that the department responsible should send experts to the area to advise every family living in the vicinity what the future holds in store for them. These families have lived in the area for a number of years and if they have to change their livelihood they may suffer. Many communities within the boundaries of the national park at Bonne Bay will have to be resettled, and therefore it is incumbent upon the responsible department, in liaison with other departments who are involved, to advise each and every family of their future once the park is established.

• (10:20 p.m.)

I am an advocate of the creation of a national park on the west coast of Newfoundland which is a remote and isolated area. Everyone knows that development there will mean very much to the future of this community. The future of citizens is my concern, and I should like to

obtain an answer to my question. I have not been able to obtain an answer from the provincial government. Because of the interest of the federal government in the creation of national parks, I am sure it will give me the answer I seek.

I feel sincerely that the Department of Indian Affairs and Northern Development should send a team of experts to the area to advise and support the statements of the ministers of the Department of Regional Economic Expansion and the Department of Indian Affairs and Northern Development. The people who are to be involved should be allowed to participate in the development of their future and the advancement of the economy of this area for the benefit of their families and children. I humbly request the parliamentary secretary to provide me with an answer to this question.

Mr. Judd Buchanan (Parliamentary Secretary to Minister of Indian Affairs and Northern Development): Mr. Speaker, I assure the hon. member that we are also very concerned about the residents of his constituency, particularly those who will be resident within the boundaries of the park. We intend to do everything possible to minimize the hardships and the inconvenience they will suffer. Let me refer to the question posed by the hon. member, which was:

> —would the minister indicate whether a contract has been let to do survey work on the national park in western Newfoundland, Bonne Bay park?

The specific reply is that a call for tenders for the boundary survey of Gros Morne National Park has recently been concluded. Twelve interested firms were contacted and six bids were received. The bids have been reviewed in concert with the Surveyor General and a recommendation has been forwarded to Treasury Board, where it now rests. A contract is presently being prepared and an announcement of the successful bidder will be made shortly.

YOUTH—OPPORTUNITIES FOR YOUTH PROGRAM—CRITERIA USED IN CONSIDERING APPLICATIONS

Mr. Doug Rowland (Selkirk): Mr. Speaker, when the Opportunities for Youth program was announced, members on this side of the House took exception to the very short period of time available for applicants to prepare projects, submit them and have them approved or rejected. The program was announced so close to the termination of the university year that we felt adequate treatment of potential projects would be impossible before university students were looking for jobs. This has proven to be the case. The vast bulk of funds allocated to the program has not even now been assigned, and university students are looking for jobs.

The government took some pride at the time in the fact that it had prepared its program for students three weeks earlier than last year. I see this as no cause for self-congratulation since, to be really useful, employment opportunities for students should be announced prior to the new year in order that unsuccessful applicants may have the chance to look elsewhere. It is not as though the government did not know there would be a problem of student unemployment this summer. The government's own policies created the conditions which have produced potentially high unemployment. Having created these policies, it should have been prepared to deal with their side-effects.

Opposition critics of the program suggested the program's funding would be inadequate to meet the demands placed upon it. This worry has again proven to be valid. The program is already vastly oversubscribed. I should like to know, as I asked in the House this afternoon, how many projects will be rejected, which would otherwise have met the program criteria, on the sole ground the government has run out of money; and how many jobs would have been created by the projects rejected on this ground alone? If I do not receive an answer to my question this evening I intend to place it on the order paper, because I consider the answer to be part of the information the public will require in order to judge the efficacy of the government's program.

Another worry the opposition critics had at the time of the introduction of the program was that the criteria upon which a judgment of the acceptability of projects would be based were too vague. We were worried about applicants having to recast their applications at the eleventh hour because of their failure to meet some standard they did not know of in advance. That is why myself and others repeatedly asked the minister specific questions about the criteria being employed. That is why so many of us attended a meeting convened by officials administering the program to explain it to Members of Parliament. We asked questions about the criteria even though the meeting was held only a week prior to the effective deadline for applications.

Our concern about the lack of published criteria has been justified in the event because projects are now being returned to their sponsors to have them recast to meet criteria which they were not aware existed, or returned because of confusion about the meaning of published criteria. A number of such examples have come to my attention. I have referred them to the minister for inquiry and have no reason to believe he will not be conducting the requested inquiry.

My point this evening is to bring this specific principle to the attention of the House. I am asking now for assurance that the criteria created after the program was announced—criteria never generally known to the public and not included among the published instructions to applicants—have no part in establishing the acceptability of a project submitted for consideration.

I await this assurance with interest. Because this program was introduced so late in the day, because it is so inadequately funded and because its administrative apparatus has not yet had time to properly take hold, the program is bound to be a mess. I am simply requesting that the government not make it worse and more unjust than it need be through an attempt to enforce criteria which no one, not even the minister, knew about in advance.

Proceedings on Adjournment Motion

Mr. James Hugh Faulkner (Parliamentary Secretary to Secretary of State): Mr. Speaker, on April 5 the hon. member raised a question about criteria and it is precisely that with which I shall deal tonight. The criteria applying to the summer youth program have been carefully planned in order to achieve the greatest student participation at all levels.

Student participation means several things: first, that the greatest number of students should be employed in meaningful and worth-while projects both to the students and the communities they wish to serve. This implies that the cost for each job is limited, but in no way to the point of creating cheap labour. Second, large segments of the population should benefit from these projects and regional disparities should be taken into account. Third, young people have to be involved in planning and carrying out projects. This aspect is particularly important to show the vigour, the perseverance and the capability of young people to carry out and terminate what they have started, thus demonstrating the responsible manner in which young people can identify problems which face their community and their ability to respond to them in a satisfactory manner.

Fourth, projects should reflect creativity by introducing new services, programs and activities. In this respect the extension of already existing programs, whether federal, provincial or municipal, are not to be accepted: first, because there is the danger that the students might not be sufficiently involved in the process-making and because this program was never designed to be involved in transfer of funds from one government level to another.

Fifth, funds will not be allocated to purely leisure projects, for which reasons are obvious. Sixth, funds will not be allocated to organizations whose only goals are to make profit, since this program is designed to avoid competition with the private sector and is primarily set up for social and not financial benefit.

All in all, the criteria for this program were set up to answer the needs, aspirations and goals of a young generation that threatens to drop out if governments do not make an effort to work with them on their own terms. For the first time a government is financing creativity, not enclosing it within its own structures but permitting it to be as it is—in other words, providing youth with a genuine role in society.

Motion agreed and the House adjourned at 10.32 p.m.

HOUSE OF COMMONS

Tuesday, May 4, 1971

The House met at 2 p.m.

PRIVILEGE

MR. MacDONALD (EGMONT)—ANSWER TO QUESTION CONCERNING SECURITY AND INTELLIGENCE DIVISION OF ROYAL CANADIAN MOUNTED POLICE

Mr. David MacDonald (Egmont): Mr. Speaker, I rise on a question of privilege affecting the rights of every member of the House. Yesterday an answer was tabled by the Solicitor General (Mr. Goyer) in response to a written question that I had submitted on March 25. In this written question I asked for information as to the budgeted amounts for the security and intelligence division of the Royal Canadian Mounted Police, for a statement on the cost of security and intelligence operations within the RCMP, and also for a description of the operations of the security and intelligence division.

In response to these questions the minister replied in the following terms, as reported at page 5423 of *Hansard:*

> The Royal Canadian Mounted Police is the main federal operational and investigative body in the field of security. Such authority—there is no explicit statutory authority—as does exist is derived from certain sections of the R.C.M. Police Act. It would not be in the public interest to divulge any further information in this connection.

When I first received this answer today—I should explain that I was not here yesterday because I was attending to public business in Prince Edward Island—I was shocked to see the way in which the Solicitor General had seemingly set aside the traditional rights of members of this House to know the disposition of public funds and the public policy that is in effect in regard to such an important operation of government as that of security and intelligence. The reason this question was placed on the order paper in the first instance was that in the annual report tabled some time ago by the Department of the Solicitor General there was absolutely no statement and no information in respect of the cost or the policy of the security operations of the RCMP. I believe this to be a basic contravention and denial of the rights of Members of Parliament. Citation 113 of Beauchesne's Fourth Edition states in part:

> Libels upon members and aspersions upon them in relation to Parliament and interference of any kind with their official duties, are breaches of the privileges of the members.

• (2:10 p.m.)

Mr. Speaker, I point specifically to the latter part of that sentence which states that an interference of any kind with their official duties constitutes a breach of privilege. Surely it is an obvious infringement upon the rights of all members of the House when the minister does not reply to a direct and specific question put with regard to the disposition of public funds and the amounts of expenditures which take place as a result of the exercise of well-known responsibilities of that department. This affects the right of all members of the House and the people to know what the government is doing with the public funds it has at its command.

I would not have raised this question at this time had it not been for the fact that over the past few weeks oral questions along this same line have been asked by hon. members and the minister has been almost completely reluctant to provide the House with the information necessary in order that members can properly exercise their duties and responsibilities. Members of this House must be increasingly alarmed, as I think the general public is, about knowing whether in fact as a result of our security procedures there is security in this country.

I would be prepared to move, if you view this question as a prima facie case of privilege, as I do, that this whole matter be referred to the Standing Committee on Privileges and Elections.

Mr. Speaker: Order, please. The hon. member did give notice of his intention to raise a question of privilege, but it might be better if the Chair had an opportunity to look into the matter and make a ruling in due course, perhaps tomorrow. At this time it was my thought that hon. members would want me to bring to their attention the presence of visitors in the Speaker's gallery.

* * *

HOUSE OF COMMONS

PRESENCE IN SPEAKER'S GALLERY OF PARLIAMENTARIANS FROM FINLAND

Mr. Speaker: In the Speaker's gallery there is a very distinguished group of fellow parliamentarians from Finland led by the President of that Parliament, Mr. Rafael Paasio.

Some hon. Members: Hear, hear!

Mr. Speaker: Mr. Paasio and his colleagues have come to Canada as fellow parliamentarians; but they are welcome here also as friends. I am sure it is the hope of all hon. members that their stay with us will be pleasant, interesting and fruitful.

Some hon. Members: Hear, hear!

PRESENCE IN GALLERY OF HONOURABLE JOHN ROBARTS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I call your attention and the attention of hon. members to the presence in the gallery of the Leader of the Opposition of a very distinguished Canadian, the Honourable John Robarts.

Some hon. Members: Hear, hear!

Privilege

[*Translation*]

PRIVILEGE

MR. LA SALLE—DECISION TO SIT AS INDEPENDENT MEMBER

Mr. Roch La Salle (Joliette): Mr. Speaker, I rise on a question of privilege.

For three years, I have believed that I could, at the same time, serve a political party and the interests of the province of Quebec. Today, I must bow to the facts and recognize that it is impossible to carry out those two objectives simultaneously.

As I am still interested in finding a viable formula for Quebec within the Canadian Confederation, I have decided to continue to work in co-operation with the other hon. members, and I reiterate my intention to sit, from the time the Chair recognizes my right to do so, under the label of an "independent".

Finally, I wish to thank the Chair for its many kindnesses to me and to express the hope that it will deem it reasonable to let me take the floor as often as it has done so previously.

Mr. Gérard Laprise (Abitibi): Mr. Speaker, I wish to make a correction to yesterday's *Hansard.*

Mr. Speaker: Order. This correction should be made on motions.

[*English*]

ROUTINE PROCEEDINGS

OFFICIAL LANGUAGES ACT

TABLING OF REPORT OF BILINGUAL DISTRICTS ADVISORY BOARD

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, in conformity with the Official Languages Act I wish to table under Standing Order 41(2) the Bilingual Districts Advisory Board Report, the recommendations of which will be given careful consideration by the government.

ORAL QUESTION PERIOD

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—DETERMINATION OF EXTENT OF POSSIBLE DAMAGE TO WEST COAST AREAS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. In view of the report in the press, attributed to the leader of the delegation of Canadian officials to Washington, that the officials have been unable to ascertain how much oil would be moved from Alaska or where it will be moved, I should like to ask the Acting Prime Minister where the government of Canada intends to go from here with regard to that question and whether there is any plan to determine the extent of the possible danger or damage to west coast areas, particularly the area inside the Strait of Juan de Fuca?

[Mr. Stanfield.]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I have a report I would be prepared to give the House on the discussions that took place yesterday which would help answer the question asked by the Leader of the Opposition. I would be prepared to revert to motions if that is the wish of the House.

Mr. Speaker: Is it agreed that we return to motions to allow the minister to make a statement?

Some hon. Members: Agreed.

ROUTINE PROCEEDINGS

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—REPORT ON WASHINGTON MEETING OF UNITED STATES AND CANADIAN OFFICIALS

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the consultations in Washington yesterday enabled officials of the two countries to examine risks of pollution which would be entailed by the movement of large volumes of oil from Valdez, Alaska to the Pacific northwest. The Canadian delegation made clear the very serious concern of the Canadian government regarding the substantial damages which would result from a major oil spill. The Canadian delegation also raised questions regarding compensation and damages in the event of a massive spill, basing its position on the Trail Smelter decision which provides a firm legal precedent for compensation in the event of damages in Canada resulting from an oil spill in United States or international waters. The principal Canadian concern, however, is not for compensation after the event but to see that oil spills shall not take place. The Canadian delegation pressed the point that, whatever precautions might be taken, oil accidents are likely to occur as was recently shown in the spill of diesel fuel in Puget Sound and in the collision of two tankers in San Francisco Bay.

The Canadian delegation stressed the high cost of cleaning beaches, fishing gear, pleasure craft and the loss entailed from oil-fouled timber and pulpwood. They also pointed to the long-term damage to the growth prospects of the tourist industry which would obviously result from a change in the environmental quality of the waters off the west coast.

The United States side accepted that further information was required in a number of areas before the risk of damage could be adequately assessed. More research, for example, is required on the effects of an oil spill on the spawning of herring and the migration of salmon.

• (2:20 p.m.)

It is the Canadian view that it would be irresponsible to take a decision which would result in the mass movement of oil by tanker until all areas of potential risk have been fully assessed. It is time to ensure that the protection of our natural heritage becomes a major priority of public policy. Large, new engineering projects should not be undertaken before adequate information is available on the environmental risks which would be entailed.

For our part, we will wish to hold further talks with the United States in regard to areas where more information is required on the damages which could result from oil spills off the Pacific coast.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, we find ourselves now in the position where a group of Canadian officials have met with a group of United States officials for the purpose of holding certain discussions and seeking certain information. I would like to emphasize to you, Sir, that although the question of approving the TAPS route has been before the U.S. authorities for some time, this discussion is the first, I believe, that has taken place between representatives of the two countries with regard to the problem, and this only at the official level.

The Acting Prime Minister pointed out that the officials discussed the dangers and the question of compensation and apparently secured the admission that further information is required before the dangers can be fully assessed. I would like to know, and I am sure the people concerned on the west coast of Canada particularly would like to know, whether the Canadian officials secured any assurance from the United States that in fact a decision will not be taken by the United States authorities to approve the TAPS route until this information has been obtained. The Acting Prime Minister did not tell the House today that the officials had received any such assurance. Therefore, I think I am perfectly correct in assuming that the Canadian officials have not received any such assurance that in fact the United States decision will be held up until all the information has been gathered which would enable a full assessment to be made of the dangers involved in this project. I think the House is entitled to know where the government intends to go from here.

The Acting Prime Minister spoke generally about further conversations with people in the United States. I certainly hope they will be at the ministerial level so that our American friends will know that we are at least taking this matter seriously and are not content simply to discuss it at the official level.

Some hon. Members: Hear, hear!

An hon. Member: Question.

Mr. Stanfield: I have a point of order, Mr. Speaker. I hear some gentleman opposite calling for a question. As I understand it, we are on motions. I will not keep the House too long, but there are one or two things I want to say.

I think it is fair to say that, as far as we could tell from the Acting Prime Minister's statement, the officials reported nothing new. We are now in a position where we do not know, the Acting Prime Minister not having told us, what the government of Canada proposes to do, if anything, in these circumstances. We have not been told what the government of Canada proposes to do to bring this home to the government of the United States.

We do not know whether the government of Canada intends to seek an assurance from the government of the United States that in fact a decision will not be made until these dangers have been fully assessed. We do not even know whether the government of Canada is actively pushing the Canadian pipeline as an alternative. In other words, Sir, I suggest it is time that the Acting Prime Minister and his colleagues stopped fooling around with this question and told the House and the Canadian people exactly where they stand and what they intend to do.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, the government has shown an amazing timidity in protesting against the proposed transportation of crude oil by sea from Valdez, Alaska, to the west coast of the United States.

For many months people on the Pacific coast have been perturbed and disturbed about the prospect of huge tankers transporting oil down the Pacific coast, and particularly into the Strait of Juan de Fuca and Puget Sound. It was only after months of prodding that the Secretary of State for External Affairs (Mr. Sharp) finally agreed to get in touch with the United States government and ask for discussions.

I think most of us took it for granted that these discussions would take place at the ministerial level, and that the Acting Prime Minister himself would make representations to the government of the United States protesting against what could be a very serious pollution hazard to the people who live on the coast of British Columbia. Instead, we now have discussions going on in Washington between officials of the Canadian government and officials of the United States government. From the report the minister has given today it is perfectly clear the discussions were mainly about how to reduce the risks of pollution, what kind of navigational aids would be required, what standards of ship construction, what emergency and contingency plans would be ready in the event of an oil spill, and who should be held responsible in the event of a disaster. Mr. Speaker, discussions of this kind presuppose an acceptance of the TAPS program. We ought not to be discussing how we are going to reduce the risk of pollution in the event of crude oil being brought down the Pacific coast. We should be making strong representations and presenting data to show that the program should be abandoned.

The Canadian officials who have been attending the meeting in Washington have not been able to secure the information they want, if one may judge by the statements of Mr. George Wardroper, Director General of Science and Environment in the Department of External Affairs. He says they have not been able to receive from the American authorities any information as to how

much oil will be transported daily down the Pacific coast, nor have they been able to receive any information as to what the destination of the oil tankers will be.

Mr. Speaker, one would have to be very naïve to think that this type of information is not available. Those who have stockpiled the pipe in Alaska know the dimensions of that pipe. They have an estimate of how much oil they will be putting through that pipeline. They know how much oil will have to be transported by tanker. For them to say they cannot tell the Canadian officials how much oil they will be shipping is sheer evasion.

The time has come for the government to take this matter seriously and to have direct talks between Canadian cabinet ministers and representatives of the United States cabinet. The government should be presenting the kind of data which will convince the American authorities that a tanker route down the Pacific coast of the magnitude envisaged will be a menace not only to the Canadian fishing industry but to the American fishing industry, not only to Canadian coastal waters but to American coastal waters.

• (2:30 p.m.)

I remind the minister that twice in the last 12 months members of this party have presented amendments to the Canada Shipping Act asking that the Canadian government establish a 100-mile pollution control zone on the Pacific coast in the same manner that Parliament did over a year ago with respect to the Arctic. The time has come to talk to the American authorities in fairly blunt and specific language, to say to them that we want this TAPS program stopped and that if it is not stopped we propose to take the necessary measures to protect the coastal waters of Canada.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, the question raised is currently of the highest interest. I have just returned from a trip to British Columbia and the question of the movement of oil from Alaska to the United States is creating presently a state of anxiety among the people of British Columbia.

I happened to meet representatives of fishermen associations and companies as well as fishermen and, everywhere, people seemed very anxious about the movement of oil. We do note also that the government is in no hurry to assure the people of British Columbia that it is possible to sign an agreement with the United States in order to eliminate any danger of pollution to Pacific waters. In fact, should these waters become polluted one day, it would be the end of British Columbia fisheries.

I said, Mr. Speaker, that British Columbia was concerned with this situation and I believe that the U.S. should have the decency to think twice before launching activities which would contribute to further pollution of Pacific waters. As I said previously, this government has showed no haste in publicizing the results of its discussions with the U.S. In my view, it is urgent that we, as parliamentarians, should know what the score is.

In addition, it is important that the people of British Columbia, as a Canadian province, be assured that our neighbours will respect our territorial waters and be held responsible for any pollution of our waters caused by oil shipments from Alaska.

I urge the government to act expeditiously and assure British Columbia and Parliament that our rights will be preserved when agreements are signed between the U.S. and Canadian governments.

[*English*]

Mr. Speaker: The House will now return to the question period.

ORAL QUESTION PERIOD

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—OBTAINING OF ASSURANCE BY UNITED STATES OF NO APPROVAL PRIOR TO FULL ASSESSMENT OF DANGERS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, perhaps I might return to the Acting Prime Minister and ask him whether the government of Canada intends to seek from the United States authorities an assurance that a decision with regard to approval of the TAPS route will not be made until the dangers involved have been fully assessed?

Hon. Mitchell Sharp (Acting Prime Minister): Yes, Mr. Speaker, that has been the intent of all the representations we have made.

Mr. Stanfield: Mr. Speaker, may I ask the Acting Prime Minister a straightforward question in the hope of receiving a straightforward answer. Is the government of Canada directly asking the United States government not to make a decision with regard to the TAPS route until the dangers have been assessed? Has that request been made and, if so, what answer has been received? If the request has not been made, will it be made and, if so, at what level?

Mr. Speaker: Order, please. I am not sure whether this is one question or a number of questions, but I would suggest to the minister that he might reply as briefly as possible. We have to go on to another question.

Mr. Sharp: At the present time, Mr. Speaker, hearings are going on about the building of the TAPS line and the United States government has not yet received advice from the advisory body that will be advising it. That is one of the reasons I have felt it most desirable that the full scale of the dangers involved in building this line should be known before any decisions are made by the United States government. That is why I said in answer to the first question that this has been the intent of all our representations. On the question of whether we should seek an undertaking from the United States that it will not make a decision until we are satisfied, I would hope that would be the situation but of course I could give no guarantees.

Mr. Stanfield: Has any machinery been established for a joint assessment and joint examination of the dangers by representatives of the two countries?

Mr. Sharp: Mr. Speaker, in a sense that was what was going on yesterday and I hope will be continuing today. Our officials, who carry the full authority of the Canadian government in all these negotiations, have been making known to the United States government our concerns about the ecological dangers. So far we have not been satisfied with the replies we have received, and I do believe we have pointed out to the United States government some of the inadequacies in the consideration they have given to this project.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—WASHINGTON MEETING—USE OF ECOLOGICAL STUDIES IN CANADIAN PRESENTATION TO UNITED STATES OFFICIALS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, some days ago I asked the Minister of Transport if ecological studies had been made by his department regarding the danger of the pollution of the coastal waters of British Columbia and he indicated that such studies were going on. I now want to ask the Acting Prime Minister if the results of these studies, and any others that were carried on by the Department of Fisheries and Forestry or the Department of Energy, Mines and Resources, were part of the presentation made yesterday by the Canadian officials in their meeting with the government representatives of the United States?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think the hon. gentleman may not have listened very carefully to the presentation I made. If he will read it in *Hansard* he will see that it is precisely these points that our officials brought to the attention of the United States authorities.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—NEGOTIATIONS WITH UNITED STATES PRESIDENT OR CABINET MEMBERS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): In view of the statement made by Mr. George Lincoln, chairman of the president's oil policy committee, to the effect that the Canadian government had not been very enthusiastic about supporting an alternate route and that the American government would welcome direct contacts with the Canadian government regarding the whole question of transporting oil from Alaska to the United States, does the government intend to have direct discussions? Does the minister himself intend to meet with Mr. Rogers, or does the Prime Minister intend to have direct negotiations with the President of the United States regarding this whole question of moving oil from Alaska to the United States?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, at the present time there is no application for building a pipeline down the Mackenzie Valley. I am quite sure the hon. gentleman would be the first in this House to rise in his place and say that he hopes the Canadian government is protecting the environment of the north of Canada as well as the Pacific coast before any plans are undertaken to build a pipeline. I am quite sure that this is the position he would want us to be in. Therefore I would suggest that he, no more than the government, is saying, "a pipeline at any cost down the Mackenzie Valley".

Mr. Speaker: Order, please. A number of hon. members are seeking to ask supplementaries, including the hon. member for Calgary North and the hon. member for Nanaimo-Cowichan-The Islands. I think in fairness to all hon. members I should at this point recognize the hon. member for Témiscamingue and return to the hon. members in a moment.

Mr. Douglas: On a point of order, Mr. Speaker, the Acting Prime Minister is seeking to direct my remarks in an entirely erroneous direction. At no time did I suggest that the choice was between the TAPS program—

Mr. Speaker: Order, please. I suggest to the hon. member that what he is raising now is not a point of order. Perhaps he will have an opportunity in a moment to clarify matters by a supplementary question, but I think the time has come to give an opportunity to the hon. member for Témiscamingue to ask a question also.

* * *

[*Translation*]

AGRICULTURE

FARMS PRODUCTS MARKETING BILL—POSSIBLE DELAY IN THIRD READING

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to direct a question to the Minister of Agriculture.

I wonder whether he is awake or sleeping. Mr. Speaker, I apologize to the minister. He seemed to be resting so well.

My question is as follows: Does the minister intend to delay the consideration of the motion for third reading of Bill C-176 pending the decision of the Supreme Court of Canada on that question?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): No, Mr. Speaker. There is new law contained in Bill C-176 that is not before the Supreme Court at the present time.

Mr. Baldwin: Bad law.

* * *

OIL

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—SUGGESTION OF ALTERNATIVE ROUTE BY CANADIAN OFFICIALS AT WASHINGTON MEETING

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, in light of what the Secretary of State for External

Affairs has said about the meeting in Washington between Canadian and United States officials, may I ask if the Canadian delegation in its official capacity suggested any alternative route or method for transporting this crude petroleum? If they did, on what study did they base their recommendations?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, the short answer is no, the Canadian government did not suggest an alternative route. The delegation that went with the authority of the Canadian government went to discuss the ecological dangers of building the TAPS line, which I think is the correct procedure at the present time.

Mr. Woolliams: Mr. Speaker, may I ask a supplementary question. What knowledge and studies did the Canadian officials use in discussing this question with the United States officials? What study did Canadians use? Did they use an American study or one of their own?

Mr. Sharp: Mr. Speaker, the Canadian government has had considerable experience in cleaning up oil spills on the ocean.

Mr. Speaker: Order, please. The Chair will recognize the Leader of the Opposition on a supplementary and then the hon. member for Nanaimo-Cowichan-The Islands. We have been deep in oil for the last 40 minutes and perhaps we should then go to another subject.

INVITATION BY MINISTER OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT TO UNITED STATES TO BUILD PIPELINE THROUGH NORTHERN CANADA

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I ask the Acting Prime Minister whether the Minister of Indian Affairs and Northern Development was speaking for the government of Canada when he apparently invited the Americans to come in and build a pipeline through Northern Canada? Was this the expression of a government invitation? If so, has the government had second thoughts about it?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I would have to check what my colleague said before I could answer that question.

PROPOSED TRANS-ALASKA PIPELINE SYSTEM—NEGOTIATIONS WITH UNITED STATES PRESIDENT OR CABINET MEMBERS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, while all members would agree with the Acting Prime Minister that Canada should not build a pipeline through the north as an alternative to TAPS without very wide discussion and investigation, since Mr. George Lincoln's statement would appear to be a refined form of blackmail I return to the question I asked the Acting Prime Minister: Has the time not come for direct ministerial discussions on this very important matter instead of leaving it to officials until such time as the American government has made a decision?

[Mr. Woolliams.]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, the Parliament of Canada enacted the National Energy Board Act which gives that board authority to deal with applications for the building of pipelines. I am quite sure the hon. member would not wish the Canadian government to intervene before the National Energy Board has had the opportunity of looking at any application for the building of a pipeline, because the National Energy Board can take into account all relevant factors.

* * *

EXTERNAL AFFAIRS

EAST PAKISTAN CONFLICT—DISCUSSIONS WITH INDIAN AND PAKISTANI REPRESENTATIVES—PROVISION OF RELIEF SUPPLIES

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I should like to direct a question to the Acting Prime Minister. Has he now had conversations with representatives of the governments of India and Pakistan and can he advise about the situation in East Pakistan, particularly with reference to the acceptance by the authorities there of relief supplies?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, we have had extensive conversations in recent days at several levels about the situation in Pakistan. The Canadian High Commissioner has been for some days now in East Pakistan and he will be submitting a report shortly. We have also been in touch with other governments which have been co-operating in the economic development of Pakistan and with international organizations like the World Bank and the International Monetary Fund. The World Bank has a senior representative in Islamabad. The Canadian government is trying to obtain a balanced assessment of the situation quickly. I have said many times that we are ready to contribute relief assistance and what we need to do now is to determine how to make this aid effective.

If you will permit me just a moment, Mr. Speaker, perhaps I should say that the League of Red Cross Societies over the weekend appealed for relief assistance for refugees from East Pakistan who are now in India. The government is making an immediate initial contribution through the Canadian Red Cross in response to this appeal. This particular contribution is expected to be spent largely on medicines, in addition to any contributions already made by the Canadian Red Cross. We have been in touch with the world food program and we hope that we can provide help in that way.

Mr. Macquarrie: May I ask the Acting Prime Minister if the Pakistan authorities are now accepting the aid of these relief agencies and allowing them into East Pakistan?

Mr. Sharp: Mr. Speaker, we have had no requests whatsoever from the Pakistan government as such. The announcement that I was making was about the relief of refugees from Pakistan who are now in India.

[*Translation*]

EAST PAKISTAN—CONDEMNATION BY CANADIAN GOVERNMENT OF ATROCITIES

Mr. Pierre De Bané (Matane): Mr. Speaker, I wish to direct a question to the Secretary of State for External Affairs.

Is he in a position to tell the House whether the Canadian government has made known to the government of Pakistan its vigorous and unequivocal censure of the atrocities perpetrated in East Pakistan?

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, as I have said in the House, we have made it known that we favour a political settlement of this situation and not bloodshed, some of which unfortunately has already taken place.

Mr. Thomas M. Bell (Saint John-Lancaster): A supplementary question, Mr. Speaker. Would the government consider sending independent observers from this parliament to the scene, as other countries of the Commonwealth have done, possibly a member of the opposition and one of those parliamentary secretaries who are lying around and not doing anything?

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please.

* * *

THE CANADIAN ECONOMY

USE OF NET SOCIAL BENEFIT RATHER THAN GROSS NATIONAL PRODUCT AS INDICATOR OF PROGRESS

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, may I direct my question to the Minister of Industry, Trade and Commerce. I would refer him to the concept advanced by the Prime Minister of using net social benefit as a better indicator of economic progress in this country than gross national product. Can he tell us whether the Dominion Bureau of Statistics or Statistics Canada, for which he is responsible to the House, has undertaken a study of its efficacy as a measure of economic progress? Also, has this been referred to the Economic Council of Canada as a useful tool, or is this idea merely some speech writer's pipedream?

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, this is a new concept. Since the Bureau of Statistics is interested in moving with the times, I presume they will study it and try to find out how it can be defined in statistical terms.

Mr. Lambert (Edmonton West): Mr. Speaker, I would ask the minister to inform himself whether this is a concrete fact and whether Statistics Canada is actually considering net social benefit as a tool in measuring economic progress, or is this merely some speech writer's pipedream?

Inquiries of the Ministry

Mr. Pepin: Mr. Speaker, I will try to satisfy my curiosity and that of my hon. friend too.

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GRAIN

WHEAT—DEFICIENCY PAYMENTS TO COMPENSATE FARMERS FOR LOSS IN NET INCOME—TWO-PRICE SYSTEM

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, may I direct a question to the Acting Prime Minister. Since the government of which the hon. gentleman is a member took office in 1968 there has been a drop in net farm income of over $500 million.

Mr. Speaker: Order, please. Will the hon. member kindly ask his question?

Mr. Benjamin: Mr. Speaker, since the proposed $100 million acreage payments will be mostly, if not all, made with money which the government has saved on grain storage and losses in grain pools, can the Acting Prime Minister advise the House whether the government will now consider supplementary or deficiency payments particularly to the grain industry in western Canada to make up some of the $500 million loss in net income?

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, this is a very complicated question. My short answer is that the payments that are going to be made exceed anything that has been done in the past.

Mr. Benjamin: A supplementary question, Mr. Speaker, to the Minister of Agriculture. In view of the drop in net farm income in Manitoba of over 100 per cent, and of nearly 100 per cent in Saskatchewan, will the minister now advise whether the government of Canada will agree to a two-price system for grain?

Mr. Speaker: Order, please.

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[*Translation*]

HARBOURS

AMENDMENT OF ADMINISTRATIVE STRUCTURE

Mr. Henry Latulippe (Compton): Mr. Speaker, I have a question I want to direct to the Minister of Transport.

Could he tell this House whether he intends to announce significant changes to the operating chart of the Canadian harbour administration at the seminar on transportation to be held May 13 next at the Sheraton-Mount Royal Hotel, or whether these changes will be announced in the House of Commons?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, the whole question is now being examined. I had not up to now given any thought to just where the announcement might be made. If a new policy is involved I shall show what I hope hon. members will agree is my usual respect for the House and make it here.

Inquiries of the Ministry

AIRPORTS

TORONTO—EXPEDITING OF DECISION ON SITE AND CONSTRUCTION OF NEW FACILITY

Mr. W. C. Scott (Victoria-Haliburton): I have a question for the Minister of Transport. In view of the delays at Ste. Scholastique, is the government prepared to speed up the decision on and construction of the new international airport for the Toronto area?

Hon. Donald C. Jamieson (Minister of Transport): I am happy to say that the delays at Ste. Scholastique have now been eliminated. The work stoppage is at an end, and if the weather co-operates we shall move ahead very quickly at that site. I do not think it has any relationship to the Toronto question. I am happy to say that I met yesterday with Mr. MacNaughton, the representative of the province of Ontario, and I can say progress is being made.

Mr. Scott: Is the government close to a consensus with the provincial and municipal parties on the question of the Toronto airport site and, if so, will an announcement be made this month?

Mr. Jamieson: Sometimes I may display a large amount of confidence but I would not dare say how close one government ever gets to consensus with another.

TORONTO—CONSULTATION ON SUITABLE AREA FOR HOUSING NEAR NEW FACILITY

Mr. W. M. Howe (Wellington-Grey-Dufferin-Waterloo): I have a supplementary question for the Minister without Portfolio in charge of housing. In view of the hon. gentleman's expressed interest in satellite cities, has he held discussions with the Minister of Transport in order to provide an area for the housing of the 50,000 to 100,000 people who will be involved in this project so that the problems which have arisen at Malton will not arise in this case?

Hon. Robert K. Andras (Minister without Portfolio): The whole question of the pattern of urban growth and development and the effect on that of the placement of such major transportation facilities as airports is the subject of ongoing consultation and co-operation between myself and my officials and the Minister of Transport and his officials. Such consultation is constant now. We are part of that discussion.

TORONTO—ANNOUNCEMENT OF NEW SITE IN HOUSE

Mr. A. D. Hales (Wellington): I should like to ask the Minister of Transport whether the announcement of the location of the New Ontario site will be made by him in the House?

Hon. Donald C. Jamieson (Minister of Transport): Yes, Mr. Speaker, and I would assume that if the negotiations with the province of Ontario proceed satisfactorily the announcement might even be made simultaneously.

Mr. Speaker: Order. The Chair will recognize the hon. member for Oxford with a last supplementary question on this subject.

[Mr. Jamieson.]

Mr. W. B. Nesbitt (Oxford): I have a supplementary question for the minister in charge of housing. Did the minister consult with the Prime Minister and the Secretary of State who is in charge of the youth program for the summer with respect to the new northern city which is to be constructed overnight by 100,000 young people, or whatever it was, and can he give us more details?

Mr. Speaker: Order. That is not a supplementary.

Mr. Donald MacInnis (Cape Breton-East Richmond): I have a supplementary question for the Minister of Transport. It arises out of his answer to a question regarding the airport in Quebec vis-à-vis the proposed Toronto airport. I would ask the Minister of Transport whether in referring to this question he would check out the statement made by the Prime Minister, as reported at page 5391 of *Hansard* on Friday last, in which the inference is left that they had to go ahead with the Quebec airport in order to take business away from the proposed Toronto airport?

Mr. Speaker: Order. While the minister is doing all this checking, the Chair will recognize the hon. member for Joliette.

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[*Translation*]

FINANCE

ESTABLISHMENT OF CREDIT INSTITUTION FOR MUNICIPALITIES

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

Could he tell us if the government has received an official request from the Union of Canadian Municipalities in order that special funds be earmarked for the development of specific municipal projects? If so, I should like to know the position of the government in this regard.

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I should like to take that question as notice.

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AGRICULTURE

FARM MACHINERY—INQUIRY AS TO FINAL REPORT OF BARBER COMMISSION AND INTRODUCTION OF LEGISLATION

Mr. Lorne Nystrom (Yorkton-Melville): My question is directed to the Minister of Agriculture. In view of continuing concern on the Prairies about the high cost of farm machinery, can the minister now tell us when he expects to table the final report of the Barber Commission on the price of farm machinery?

Hon. H. A. Olson (Minister of Agriculture): I have been advised that the report will be available in both official languages by about May 17. I should also advise the House that no decision has been taken by the government whether it will be tabled on that particular date.

Mr. Nystrom: Is the hon. gentleman's department preparing legislation to implement some of the recommendations of this commission as soon as possible?

Mr. Olson: We are taking the findings and recommendations of the commissioner very seriously.

Mr. John L. Skoberg (Moose Jaw): In a previous report the Barber Commission recommended that an investigation into farm machinery prices be undertaken under the Combines Investigation Act. Will the minister initiate such an investigation now without waiting for the final report?

Mr. Olson: I would think that question should be directed to the Minister of Consumer and Corporate Affairs. If my memory serves me correctly, the minister indicated that he was considering that course several months ago.

Mr. S. J. Korchinski (Mackenzie): In view of the fact that this report was anticipated several years ago and that since then inflation has thrown an entirely different light on the value of any final report which may be presented, is the minister prepared to set up another commission to determine the extent to which the situation has changed?

Mr. Olson: No, Mr. Speaker.

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AIR TRANSPORT

NEGOTIATIONS BETWEEN AIR CANADA AND EASTERN PROVINCIAL AIRWAYS RESPECTING ROUTES

Mr. Robert C. Coates (Cumberland-Colchester North): My question is directed to the Minister of Transport. Is the minister in a position to inform the House concerning any negotiations between Air Canada and Eastern Provincial Airways regarding air routes between Montreal and the Atlantic provinces and within the Atlantic provinces in consequence of which present Air Canada routes would be transferred to EPA?

Hon. Donald C. Jamieson (Minister of Transport): No, not in a specific sense, although, of course, as I have reported to the House on previous occasions, Air Canada is carrying on discussions with a number of regional carriers throughout the country with a view to the rationalization of the route structure. I do not know of any specific plans or talks at the present time, but I shall be glad to make inquiries.

Mr. Coates: Has the minister examined the recent Air Canada schedule relating to these routes, a schedule which sets back many years the type of service which has been available within the Atlantic provinces, and will he endeavour to secure the reinstatement of the type of service which was available up to April 24?

Mr. Speaker: The hon. member's supplementary is in the form of a representation and he has to assume it has been noted.

Inquiries of the Ministry

[*Translation*]

AIRPORTS

POSSIBLE CLOSING OF MURRAY BAY AIRPORT

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I should like to direct a question to the Minister of Transport.

I learned during the weekend that in view of a new policy of the Department of Transport which is no longer willing to make up deficits of local airports, the Murray Bay airport would be closed next summer thus causing considerable loss to the tourist industry in the Charlevoix constituency.

Does the minister intend by such a procedure to express a new policy of the Department of Transport under which municipal airport deficits would no longer be made up?

[*English*]

Hon. Donald C. Jamieson (Minister of Transport): No, Mr. Speaker, there has not been a major change of policy yet with regard to assistance in the establishment of the type of airport to which the hon. member refers. We are working on one with the objective of making a greater amount of assistance available. If the hon. member would care to give me the details of this particular case I would be glad to look into the matter and report.

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NATURAL RESOURCES

STATUS OF NEGOTIATIONS WITH PROVINCES ON OFFSHORE MINERAL RIGHTS—INQUIRY AS TO LEGISLATION

Mr. Lloyd R. Crouse (South Shore): I wish to direct my question to the Acting Prime Minister. Is the Acting Prime Minister in a position today to answer the question I raised with him yesterday concerning the state of negotiations between the federal government and the provinces on the subject of offshore mineral rights? I would also ask the minister whether legislation on this important matter will be laid before the House before the end of this session?

Hon. Mitchell Sharp (Acting Prime Minister): I regret I am not in a position to answer today. I will see whether an answer can be got for tomorrow.

* * *

EXTERNAL AFFAIRS

TIME OF CONFERENCE ON LAW OF THE SEA—GOVERNMENT INITIATIVES RESPECTING MARINE RESOURCE DEVELOPMENT AND CONSERVATION

Mr. John Lundrigan (Gander-Twillingate): I wish to ask the Secretary of State for External Affairs what the latest position is with regard to the possibility of a conference on the law of the sea being held within a reasonable period. Is there still a possibility of this conference being held in 1973 as was indicated some weeks ago?

Inquiries of the Ministry

Hon. Mitchell Sharp (Secretary of State for External Affairs): Yes, Mr. Speaker, I believe that is still the intention.

[*Later:*]

Mr. Lundrigan: Mr. Speaker, in view of the fact that indications now, contrary to what the Secretary of State for External Affairs has just said, are that the Law of the Sea Conference may not take place until 1975, can the minister indicate whether his department or the government has any plans to take any new Canadian initiatives in the area of marine resource development and conservation?

Mr. Speaker: The minister's response should be as brief as possible. It seems to me this question covers a very wide area and should normally be answered by way of a general statement on motions, but the minister might reply briefly.

Mr. Sharp: Mr. Speaker, I agree with you that it would take a long time to answer this question adequately.

Mr. Lundrigan: Mr. Speaker, I raised the question several months ago with the Prime Minister and the Minister of Fisheries. I ask the minister whether he can enlighten the House and the Canadian people by making a statement on motions giving us the clear, definitive position of the Canadian government on the conservation of our marine resources, preliminary to any international discussions which will take place several years from now.

Mr. Sharp: Mr. Speaker, this may be worth doing. I should say by way of preliminary answer that no country in the world has been more progressive in the position it has taken with regard to the law of the sea and the conservation of marine resources than has Canada.

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NATIONAL REVENUE

POSSIBLE REMOVAL OF ESTATE AND GIFT TAX OFFICES FROM SASKATCHEWAN

Mr. Rod Thomson (Battleford-Kindersley): This question is directed to the Minister of National Revenue. In view of the possible moving of the estate and gift tax section of the Department of National Revenue from Saskatoon and Regina to Calgary and Winnipeg, would the minister reconsider this decision to remove these services from the taxpayers of Saskatchewan?

Mr. Speaker: The hon. member's question is in the form of a request or submission to the minister and he has to assume it will be considered.

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[*Translation*]

AGRICULTURE

POLICY RESPECTING SUPPORT PRICE OF WOOL

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

[Mr. Lundrigan.]

Can the minister say whether his department's policy on support price for wool of acceptable categories is re-established every year? If so, do the support price and supplementary payments vary each year, when is this announced to the people concerned and what is the price for the year 1971-72?

[*English*]

Hon. H. A. Olson (Minister of Agriculture): Mr. Speaker, we made an announcement on February 8 substantially moving up support prices for skim milk powder and cheese. I indicated before the dairy year started on April 1 that those prices would be maintained.

[*Translation*]

Mr. Speaker: Does the hon. member for Bellechasse wish to ask a supplementary question?

Mr. Lambert (Bellechasse): Yes, Mr. Speaker.

I think that the hon. minister did not understand my question correctly; it was related to the support price for wool, and not for cheese and butter. I asked what was the policy of the department as to adjustment payments, and what support price had been established for 1971-72?

[*English*]

Mr. Olson: Mr. Speaker, here again I either tabled in the House or issued a press release respecting the wool support price for last year's clip, which was 45 cents a pound.

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PUBLIC WORKS

CHURCHILL—REPRESENTATIONS BY NORAD RESPECTING BUILDING OR PROPERTY REQUIREMENTS

Mr. Robert Simpson (Churchill): Mr. Speaker, I have a question for the Minister of Public Works. Is the minister in a position to advise the House whether the federal government has received recently any representations from NORAD regarding building or property requirements at Churchill or Fort Churchill, Manitoba?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, as the hon. member knows, we have made an agreement with the government of the province of Manitoba with regard to Churchill, and two or three aspects of that agreement are coming along fine. Contracts will be called shortly.

Mr. Simpson: Is the minister in a position to say whether any representations have been received from NORAD in this regard?

Mr. Speaker: Perhaps I should indicate to hon. members that we will be running out of time shortly and that we might limit the number of supplementaries from this point on.

[*Translation*]

FEDERAL-PROVINCIAL CONFERENCE

ANNOUNCEMENT OF AGENDA

Mr. Georges Valade (Sainte-Marie): Mr. Speaker, I should like to direct a question to the Acting Prime Minister.

I wish to ask him whether the agenda for the constitutional conference to be held in June has been formally announced and whether the government intends to make it public in the near future.

[*English*]

Hon. Mitchell Sharp (Acting Prime Minister): Mr. Speaker, I think the general nature of the subjects that will be discussed at the conference is pretty well known as a result of the preparations that were made at the last meeting. When the Prime Minister returns I will ask him when the agreed agenda can be published.

[*Translation*]

Mr. Valade: Mr. Speaker, I should like to put a supplementary question to the Acting Prime Minister.

Could he tell us whether the discussion will deal only with the amendment or also with the sharing of taxing powers between the provincial and federal governments?

[*English*]

Mr. Sharp: Mr. Speaker, the agenda for such meetings is, of course, a matter of agreement between the federal government and the provinces. I cannot give a precise answer to the question, but I do know that the principal subject of discussion will be the continuation of the discussion that took place a few months ago.

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PENITENTIARIES

CENSORING OF INMATES' LETTERS CONTAINING CRITICISMS

Mr. Frank Howard (Skeena): Mr. Speaker, I wonder whether I might direct a question to the Solicitor General. Inasmuch as it seems to be general practice and policy within the penitentiaries service not to permit inmates to write letters of criticism either of the institution or its administration, and that such letters are returned to the inmates for rephrasing, would the minister see to it that this imposition of censorship is removed so that inmates may freely communicate their criticisms to people, especially to Members of Parliament?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I have already received a similar suggestion during consideration of departmental estimates by the standing committee and I answered that we would study it. Today I give the same answer. I do not know enough about it to give a specific answer, but I am rather inclined to think that the inmates should be allowed to communicate as freely as possible with the members.

Inquiries of the Ministry

[*English*]

ROYAL CANADIAN MOUNTED POLICE

GOVERNMENT POLICY RESPECTING SURVEILLANCE OF UNIVERSITIES

Mr. R. Gordon L. Fairweather (Fundy-Royal): Mr. Speaker, I also have a question for the Solicitor General which relates to surveillance of university campuses. Has the government taken a decision to change the policy enunciated by the Right Hon. Lester Pearson in 1963 about police surveillance of universities in this country? If so, will the minister discuss the matter with the Association of Universities and Colleges and the Canadian Association of University Teachers, with a view to preserving academic freedom?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, the matter has been under careful consideration. We must remember what the right hon. Prime Minister said, I think, in January.

It is now a matter of deciding whether students and professors are ordinary citizens and whether university campuses must be treated as sanctuaries impregnable to routine police work. That is the way in which we are considering the matter.

[*English*]

Mr. David MacDonald (Egmont): A supplementary question, Mr. Speaker. Would the minister indicate whether there has been any consideration given to changing the policy regarding surveillance procedures on university campuses?

Mr. Fairweather: Which is the question I asked.

[*Translation*]

Mr. Goyer: Mr. Speaker, the question has just been asked and I have answered it.

* * *

[*English*]

PUBLIC WORKS

COME-BY-CHANCE, NFLD.—PROVINCIAL GOVERNMENT REQUEST FOR ASSISTANCE IN CONSTRUCTING DOCKING FACILITIES

Mr. Walter C. Carter (St. John's West): Mr. Speaker, my question is directed to the Minister of Public Works. On March 30, in reply to a question put to him, the minister indicated that the government of Canada had requested from the provincial government of Newfoundland a guarantee to cover the amount of the government's involvement in the wharf and docking facility project at Come-By-Chance. Can the minister indicate whether the guarantee has been received? If not, is it the intention of the government to continue to press for the guarantee?

Hon. Arthur Laing (Minister of Public Works): Mr. Speaker, we are continuing to work toward negotiations with the Provincial Building Company Limited and the Provincial Refining Company Limited but so far have not

concluded an agreement. In order to secure the kind of undertaking we desire and insist upon, we shall see to it that we leave nothing to chance.

Mr. Carter: Was the request made directly to the government of Newfoundland, to one of its Crown agencies, or to the company involved?

Mr. Laing: To the Crown agencies, Mr. Speaker, but I assume that it reverberated to the government of Newfoundland.

* * *

FRUIT

STRAWBERRIES—EFFECT OF FOREIGN IMPORTS ON FRASER VALLEY GROWERS—GOVERNMENT ACTION

Mr. Mark Rose (Fraser Valley West): Mr. Speaker, I have so many questions to ask that I do not know where to start, but I will raise a local matter with the Minister of Agriculture. I understand that the minister has received a number of representations from strawberry growers concerning the threat posed to their industry by foreign imports. Can he tell the House when he will be in a position to give a decision on this particular matter so the people in my riding and in nearby ridings who are engaged in this industry will know where they are going in the future?

Hon. H. A. Olson (Minister of Agriculture): Very soon, Mr. Speaker, but the hon. member will realize that it is very difficult to prove injury before injury has occurred.

Mr. Rose: Mr. Speaker, in light of the minister's reply let me say the difficulty facing the growers is that the processors who buy their product are not willing to purchase for markets east of Winnipeg because of this threat, and that seems to be proof enough of injury.

* * *

GRAIN

RAPESEED—AVAILABILITY OF SEED FREE OF ERUCIC ACID

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to ask the Minister of Agriculture whether he can assure the land of rape and honey that there is sufficient production of rapeseed, in spite of the recent storm, free of erucic acid in the California valley so that those who have requested this seed will have a sufficient supply this spring?

Hon. H. A. Olson (Minister of Agriculture): No, I cannot, Mr. Speaker. All I can assure the hon. member is that all the seed produced will be distributed.

* * *

[*Translation*]

INDUSTRY

ASSISTANCE PROGRAMS FOR SHOE MANUFACTURERS

Mr. Roland Godin (Portneuf): Mr. Speaker, I should like to put a question to the Minister of Industry, Trade and Commerce.

[Mr. Laing.]

Is he aware of the SOS sent out by the workers of the footwear industry, who blame the government for the closing down of 190 plants in Canada since 1961, of which 34 in Quebec, as a result of the legalized dumping allowed by the federal government and the resulting unfair competititon of foreign exporters? Does the minister have solutions to that problem? Does he intend to adopt programs to help the industry and its workers?

Mr. Speaker: Order. I expect the minister heard the SOS of the hon. member. As for the question, it should normally be dealt with through a statement on motions. The minister could perhaps consider that possibility.

* * *

[*English*]

HOUSING

REPORT ON SEWAGE DISPOSAL AND WATER POLLUTION

Mr. Louis-Roland Comeau (South Western Nova): Mr. Speaker, I have a question for the minister responsible for housing. Can he inform the House of the nature of the 14 recommendations made by a group of experts on water pollution and sewage treatment under George Seaton, commissioned by his department at a cost of $150,000?

Mr. Speaker: Order, please. I trust it is not suggested that the minister make this known to the House at this time. The minister might want to indicate whether this can be done on another occasion.

Hon. Robert K. Andras (Minister without Portfolio): Mr. Speaker, the report the hon. gentleman referred to the other day did not register with me under the description he gave, and for that I apologize. There is a report we commissioned under the direction of Mr. Seaton. It is one, as I indicated generally the other day, of half a dozen or a dozen different policy examinations we are conducting in respect of housing and urban policy through both CMHC and the new urban secretariat designate. At an appropriate time when we are able to deal with and make decisions in respect of all of these, we will put them together in a package and probably make them public.

* * *

ROYAL CANADIAN MOUNTED POLICE

GOVERNMENT POLICY RESPECTING SURVEILLANCE OF UNIVERSITIES—CONSIDERATION BY STANDING COMMITTEE

Mr. S. Perry Ryan (Spadina): Mr. Speaker, my question is directed to the Solicitor General. Since the minister has stated the government's policy on university surveillance is no longer firm, will he consider putting the issue before the Committee on Justice and Legal Affairs and appear before the committee so that it can consider the matter thoroughly before any action is taken by the government?

[*Translation*]

Hon. Jean-Pierre Goyer (Solicitor General): Mr. Speaker, I did mention that we are seriously considering the possibility of reviewing this policy. Should the hon. member wish to make comments in this regard they will certainly be welcome. At all events, this is not my first intimation of that possibility. I mentioned it on different occasions and I must admit that so far I have not received many comments from hon. members.

Mr. Speaker: Let us proceed with orders of the day.

Hon. Martial Asselin (Charlevoix): Mr. Speaker—

Mr. Speaker: Is the hon. member for Charlevoix rising on a question of privilege?

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

Mr. Speaker: The question period came to an end some three or four minutes ago and I believe supplementary questions could be put tomorrow.

• (3:20 p.m.)

[*English*]

GOVERNMENT ORDERS

PRIME MINISTER'S RESIDENCE ACT

AMENDMENTS TO CHANGE NAME AND PROVIDE RESIDENCES OF LEADER OF THE OPPOSITION AND SPEAKER OF THE HOUSE OF COMMONS

Hon. Allan J. MacEachen (President of the Privy Council) moved that Bill C-241, to amend the Prime Minister's Residence Act, be read the second time and referred to the Standing Committee on Procedure and Organization.

He said: Mr. Speaker, the purpose of this bill requires little explanation. It proposes the maintenance by the Crown of the three residences described therein for the Prime Minister of Canada the Leader of the Opposition in the House of Commons and the Speaker of the House of Commons on a rent-free basis.

The provisions of the proposed act would be effective as of January 1, 1970, but the present financial outlay to be payable on the Prime Minister's residence will continue at the present rate until the day following the next general election.

The government's decision to seek legislative authority to provide and maintain residences for the holders of these parliamentary offices is in keeping with the report of the Beaupré advisory committee on salaries and expenses which recommended that neither the Prime Minister nor the Leader of the Opposition should be required to pay rent for publicly owned residences provided for their official use.

In accepting this particular recommendation, the government also felt that the bill should include provison of rent-free accommodation for the Speaker, and that the application of the principle should be contained in a

single piece of legislation. Since existing legislation provides for the operation and maintenance of the Prime Minister's residence at 24 Sussex Drive and at Harrington Lake, I think I might confine my remarks largely to the subjects of the residences for the Leader of the Opposition and the Speaker. I am sure hon. members will be interested in the background to the acquisition of the two properties by the government of Canada and the proposal to make them part of the official residences act.

The Leader of the Opposition (Mr. Stanfield) occupies a property called Stornoway located in the village of Rockliffe Park. To a Scot that is a very good name. The title to this property has been held since 1950 by the Royal Trust Company in trust to provide, and I quote from the agreement between that company and the trustees of the property, "a suitable residence for the use and occupation of the leader of the Conservative party or of the Liberal party, whichever shall be in opposition."

Mr. Knowles (Winnipeg North Centre): Order!

Mr. MacEachen: No rent is paid for the occupancy of Stornoway. In addition, the trustees have paid for the maintenance of the property, including the property taxes, and have provided about 60 per cent of the furnishings.

In 1969, the Hon. Grattan O'Leary, chairman of the board of trustees of Stornoway, approached the government with the proposal that the property be transferred to the government at no cost and maintained in the future by the government as an official residence for the Leader of the official Opposition. At that time Senator O'Leary explained that the purchase of Stornoway was made possible by a group of citizens representing all parties and residents in all of the provinces, who felt that the holder of the office of the Leader of the Opposition, an integral part of our parliamentary structure, should be provided with a residence consistent with the meaning and dignity of his position. These citizens, with others who were added over the years, have continued their contributions to maintain the property in a fitting manner. Senator O'Leary pointed out that Stornoway had been occupied successively by the Hon. George Drew, Right Hon. Lester Pearson, Right Hon. John Diefenbaker and, of course, by the present Leader of the Opposition. It was also made available to the Right Hon. Louis St. Laurent for the short time he was Leader of the Opposition in this House.

Having carried the cost and care of the administration of Stornoway for some 20 years, it was the trustees' conclusion that the ownership and administration of the property should justly pass into the hands of the government and, as Senator O'Leary put it, become a part of the parliamentary structure. Negotiations have been completed by the government for the transfer of Stornoway to Her Majesty in right of Canada subject, of course, to the enactment by Parliament of legislation enabling the government to maintain the property as a residence for the Leader of the Opposition.

Hon. members are aware, I am sure, that the Speaker of the House occupies a residence called The Farm in

Kingsmere Park which is part of certain properties in the Gatineau Park bequeathed to the government of Canada by the Right Hon. William Lyon Mackenzie King as a public park in trust for the citizens of Canada. In May, 1961, Parliament enacted the Kingsmere Park Act to provide for the administration of this property in accordance with the will. The Act made provision whereby the Governor in Council may, by order, set aside any part of Kingsmere Park for use as a country home for the Prime Minister.

It has been the custom for a number of years for the Speaker of the House to occupy the building and the associated grounds known as The Farm on a rent-free basis. The government proposes, by this act, to give statutory recognition to a custom which, I am sure, reflects the high esteem in which all of us hold the office of the Speaker of the House. It is fitting that provision should be made in this legislation for this residence, along with those for the Prime Minister and the Leader of the Opposition.

Hon. members will observe that, in addition to providing for the rent-free occupancy of the residences concerned, the bill stipulates that the benefits thereby received by the occupants shall be considered as a living expense allowance and, as such, exempted from income tax.

The present provisions affecting the Prime Minister's residence, as I mentioned, will continue in force until the next Parliament. What will happen now, if this bill is enacted, is that there will be an Official Residences Act providing for the arrangements I have mentioned relating to the residence of the Speaker of the House known as the Farm at Kingsmere, the residence of the Leader of the Opposition, Stornoway, and the residences of the Prime Minister at 24 Sussex Drive and Harrington Lake.

Mr. Heath Macquarrie (Hillsborough): Mr. Speaker, I am honoured to be the spokesman for my party on this very important measure. I believe I was selected because I was considered to be the least likely person ever to occupy any of the residences under discussion at the present time. For that nomination, I return the thanks which are due from a modest man.

I am very happy that this is being done. There are other Beaupré report recommendations which I would have greeted with some pleasure as well. I think it is important that all public men be accorded such dignity. I believe it is important that the nation show some respect in a permanent, and indeed practical way, for those who by the choice of their fellow countrymen or fellow parliamentarians in one case are elevated to positions of authority, respect and leadership.

It was an atrocious thing that this country for so many years had its Prime Minister and Leader of the Opposition renting quarters or taking suites in hotels or what have you. The British have had No. 10 Downing Street and Chequers for as long as many of us can remember, and perhaps our parents before that. The United States has had its White House from the days of Jefferson, the first occupant. This is a demonstration that the office is indeed transcendent to the occupant. We never make a mistake, I think, in a country to emphasize the continuity of those institutions which make the country run and to which we pay allegiance. So, the democratically chosen chieftains of our land deserve the honour and respect which goes with the setting aside for them of official residences.

I would hope that as the years go by tradition will build into these residences and that they will become an essential part of the warp and woof of Canadian history as well as its greatness, its variety, its political structure and its variability mingled with its permanence.

The details set out by the minister have been set out well. He has been Gallic and sparse in his words, but I think adequate in his explanations. I do believe provision should be made for an official residence for the Leader of the Opposition. I am sorry that the original statement excluded any party but the Liberals and the Conservatives, but the realism was not unborne-out by the facts. However, it was a public spirited move on the part of those private citizens in Canada who acquired the fine residence, Stornoway, and although I might prefer the name ULVA House to Stornoway I agree with the minister that Stornoway is a pretty good name.

So, it is a very fine move which is being made. As a result, this matter will rest not with a group of public spirited citizens who from their own means provided a house for the Leader of the Opposition but with the state which recognizes the role of the Leader of the Opposition. In some ways this provision is one of the most important because it underlines the importance of the man who is the number one critic of those in power, and the number one contender for succession when the people's will is expressed in another way. Of all the variations of the democratic parliamentary system, I think the one whereby the Leader of the Opposition is made, in fact, an official part of the system is a fine move.

The changes involving the Prime Minister's residence are long overdue. We should have had them a long time ago. There are certain anomalies in reference thereto which have been discussed in this House before, such as the nonsensical requirement or tradition that the Prime Minister remit a certain amount of rent. This was based on the particular wish of a former occupant. It was a ridiculous thing which ought not to have recurred.

I think it would have been better had those charged with the responsibilities of discussing the fate of Stornoway given thought to the acquisition of other residences. I believe it would have been better had they been a little more historically minded. I advised the Minister of Indian Affairs and Northern Development (Mr. Chretien) months and months ago that the beautiful residence of the former Prime Minister, Sir Robert Borden, was to be destroyed by some development group. It was mentioned time and time again, and I have a feeling that at the same time discussions were being held about Stornaway the wreckers hammer was being poised to destroy the beautiful home, Glensmere, in which Sir Robert Borden lived for a third of a century. He was a great Canadian, the architect of Canadian independence, our first and

greatest nationalist. What a magnificent home that would have made for the Leader of the Opposition!

• (3:30 p.m.)

While I am talking about the historic value of historic residences and the propriety of their being utilized to the full, I still believe that the Prime Minister of Canada should be living in Earnscliffe, the home of Sir John A. Macdonald who was the father of this country in every real sense in so far as our political institutions are concerned. I am sure, and I know this to be the case, that it could very easily have been arranged, because the British are very amenable and understanding about this.

So my suggestion would be that the Prime Minister should be in Earnscliffe, the Leader of the Opposition should have been in Glensmere, and Mr. Speaker in Stornoway. What has been done in reference to The Farm, a beautiful place, very well presided over with great charm and hospitality by our present Mr. Speaker and by preceding speakers, is fine, but I do believe that it is not enough. I believe that the Speaker of this House, the first commoner, the great defender of our traditions, the most important man on the hill, the Speaker, should have a residence right here in the city of Ottawa. I think the government should make moves to provide him with one. Kingsmere, The Farm, is a delightful place. We all love to go out there in the summer, and Mr. Speaker is very generous with his hospitality. Someone mentioned booze, there. I do not know what he means by that word, but perhaps he means the lovely band which is often there to charm us with the spirited airs of some of the great waltz kings of the past!

As I said at the beginning, Sir, I was chosen to speak because I have no personal interest in this, but perhaps I do have a personal interest once removed. I am looking forward to the day when my leader will be in the Prime Minister's residence, and I expect him to invite me there once in a while. The pleasure that should come to the long suffering people of Canada will be many times greater even than mine when I go there as his guest. So, that is my only personal involvement.

I do not propose to discuss this measure overlong. I have a feeling it is one on which there is a good deal of unanimity, or at least consensus in the House. I grasp the rare opportunity to congratulate the government without much qualification, and I say that we should move forward. I think we should not be satisfied with the provisions which we have made for Mr. Speaker. I congratulate the government for moving as it has in reference to the residence for the Leader of the Opposition.

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, this bill is in one sense a companion piece to the bill we discussed the last two or three days. At least it is before us in the name of the same minister, the President of the Privy Council (Mr. MacEachen), and it is going for detailed study to the same committee, the Standing Committee on Procedure and Organization. But it is quite a different bill so far as the response of the House to it is concerned. Indeed, it is already clear from what has been said by the sponsor of the bill and by the hon. member for Hillsborough (Mr. Macquarrie), that this bill will receive the general support of the House.

It was interesting, as it always is, to listen to a bit of history about some of these things that we take for granted. I think the item in the history that the President of the Privy Council gave us which was not interesting was the fact that when certain private individuals established Stornoway as an official residence it was to be limited to the leader of the Progressive Conservative party or the leader of the Liberal party. As hon. members are aware, we called order at that point, but we were soon corrected by a later stage of history which was recited to us, namely, that when the property was taken over by the government, or at least when government money was put into it, it was made clear that it was to be the residence for the leader of the official opposition. It would have been most unfortunate in historical terms if it worked out that our leader, while he was leader of the official opposition, would have to find a residence somewhere else but nevertheless would move into 24 Sussex Drive when he became prime minister. Now, it is clear that during that interim period when he would be leader of the opposition he would be an occupant of Stornoway.

Mr. Stanfield: Does he not plan to go directly to 24 Sussex Drive?

Mr. Knowles (Winnipeg North Centre): As a matter of fact I accept the rebuke that the Leader of the Opposition has just given to me. If I heard him correctly he asked if the leader of this party does not plan to go directly to 24 Sussex Drive. Perhaps if he were here he would make the same comment. I remember, in fact, that once upon a time a leader of the opposition refused to go into Stornoway saying he was not going to waste any time there, he was headed for 24 Sussex Drive. Believe it or not, he made it, so maybe history will repeat itself.

Mr. Caouette: Not with the same party.

Mr. Knowles (Winnipeg North Centre): I am not hearing all the interjections that are being made, Mr. Speaker. Perhaps they should be on the record. There was one which I heard a moment ago when I rose. One hon. member from across the way—at least he was across the way, but now he has moved into the Prime Minister's seat—

Mr. Benjamin: The only way he will get it.

Mr. Knowles (Winnipeg North Centre): —in any case, I heard him say "Stanley will want a house for everyone in this country". Well, that is right. Now we have that clear, may I move on to the bill itself.

Actually, the bill does not make any real changes except for one that will come into effect on the day of the next election. The Prime Minister (Mr. Trudeau) is already a resident of 24 Sussex Drive; the Leader of the Opposition (Mr. Stanfield) is already a resident of Stornoway; and the Speaker of the House already has the privileges and the occupancy of the residence up in Kingsmere which we know as The Farm. I believe it is clear

that what this bill does is simply to legalize certain things that are already taking place. It makes it legal, proper and constitutional that public moneys be put into the maintenance of these residences and that their occupants be entitled to any benefits that they enjoy because they are living in them. I think that it is good that any doubt there might have been as to their right to enjoy the benefit of living in these residences has been cleared up or will be cleared up when this bill passes. That is the main purpose of this legislation, and we approve this being done.

I said there was one specific change that is made by this bill. It has to do with the $5,000 per year that the Prime Minister is required to pay for board and lodging at 24 Sussex Drive. The hon. member for Hillsborough is quite correct that this provision was put into the bill because when 24 Sussex Drive was purchased during the time when Mr. St. Laurent was prime minister it was his own, personal insistence that he be required to make a payment to cover his family's board and lodging in that residence, and at his insistence it was put into the legislation. A case can certainly be made for our not requiring that, for if we are going to provide the Prime Minister with a residence in which he can live and in which he must do a fair amount of entertaining, in which he must be one of the nation's hosts, it does seem proper that we take care of the cost of it.

• (3:40 p.m.)

However, I am interested in the fact that the proposal to discontinue the requirement that this $5,000 a year be paid by the Prime Minister does not come into effect until the end of this parliament. It comes into effect on the day of the general election following the dissolution of the 28th Parliament. No one knows who will be the occupant of that house at that point, but at any rate here is a clear case of deciding that a certain monetary benefit to one of the members of this House shall not accrue to him until after the next election.

It is very interesting that this bill will be going to the same committee to which Bill C-242 was sent yesterday. Perhaps in that committee we might try to do a little harmonizing between the two bills. If it is proper to say in this bill that a monetary benefit to one member of the House shall not accrue to him until after the next election, then maybe we should say the same thing in the bill that raises the salaries of all members. Mr. Speaker, I see you are looking at me and wondering if I am out of order, and therefore I will desist. We will deal with that matter when we get into the committee.

We are not surprised that, His Honour, the Speaker has asked one of his able assistants to take the Chair while we are debating this measure, and the main thing I want to say in this debate is that I wish the bill did something more for the office and the person of the Speaker than is being done by it. Actually, it does not do anything at all for him. He has had the privilege of living in the residence of The Farm for a long time. He has had the privilege of using it to entertain us, and so on, and when this bill is passed and becomes law the situation will still be the same, except that things will be legalized. But it really does not add anything to the perquisites and privileges of the Speaker of the House of Commons.

Like the hon. member for Hillsborough, who spoke just a few minutes ago, I think we ought to be providing an official residence for the Speaker here in the city of Ottawa, within easy reach of the House of Commons. I would be most happy to support the suggested moves that he proposed, the musical chairs that he suggested. I think Stornoway would be a delightful place for the Speaker of the House of Commons.

The reason I press this is not for any financial benefit that might accrue to His Honour to have a proper and permanent residence fully paid for in this way, but rather because I think we should show the fullest respect that we can for the office of Speaker. And I also think we should say in very clear terms, and mince no words about it, that we like the Speaker we now have, that we like the Hon. Lucien Lamoureux; that we think he has done an excellent job as the Speaker of this House in two parliaments, and that there should be a clear indication to him on the part of this House that we want him to continue as Speaker of the House of Commons. That gets us over into another bill that I have on the order paper that would provide the basis for a continuing Speakership. It also gets us over into a matter that was under discussion between the President of the Privy Council (Mr. MacEachen) and me on a late show a while ago, which ended rather inconclusively. And that is what bothers me about this now, that it is being left in an inconclusive state. All sorts of tributes are paid to the Speaker of the House of Commons, and he deserves all of them and more, but tributes that are not backed up by some real gesture, that are not backed up by an effort to take those steps that will make it possible for him to continue as Speaker, are subject to the charge of being a bit empty.

This is not the first time that the question of an official residence in Ottawa for the Speaker has been raised. The government has had reason to look at it for a few years. The proposal was made in very concrete terms by some of us in the House of Commons, and so it is not a new idea. In fact, when I first heard there was to be a piece of legislation regarding official residences, including an official residence for Mr. Speaker, for a moment I was delighted. I thought we had won. I thought that what we were going to get was an official residence in Ottawa for Mr. Speaker. But no, we are not getting that. Let us not pat ourselves on the back and say we are doing anything by passing this bill because we are not doing anything for Mr. Speaker at all. All he will have is the right to continue to make use of the Farm, several miles from here, at Kingsmere.

I hope the House will take this and other opportunities to make clear to the government that we think there should be an official residence here in Ottawa for the Speaker. Further, we think a move in that direction should be made while the present incumbent is in the Chair, so that he will know the House wants him to continue. And I think we should match this with other

changes, or with discussions amongst the party leaders or house leaders, so that steps can be taken to make sure that the gentleman we have had as Speaker, who has done such a tremendously impartial job, will not be faced with the dilemma either of dropping out of the life of the House of Commons or of going back into a partisan contest when the next election is called.

He has graced this chamber in a manner that does pride to this institution of Parliament. I think that members in all parts of the House want him to continue. This bill does not say that. We could say it if we were establishing a residence for him and his successors here in Ottawa, and we could say it by taking the necessary legislative or constitutional steps so that a continuing Speaker of this institution would become one of our traditions. In my view the time to start that tradition is now while we have the present Speaker, who is such an outstanding occupant of the Chair of this House.

Some hon. Members: Hear, hear!

[*Translation*]

Mr. Roland Godin (Portneuf): Mr. Speaker, we now have before us Bill C-241, an Act to amend the Prime Minister's Residence Act. To make a long argument short, what the Prime Minister (Mr. Trudeau) is trying to put across in this four-page bill is merely that he does not want to keep paying rent.

• (3:50 p.m.)

Although the number of people who can settle their rent problem in such a way across Canada is quite limited, hon. members will agree that it does not take a genius to come up with such an idea. I even thought about it myself, since apart from the rent I pay for a room here in Ottawa, I have still some outstanding payments on my own home. As most Canadians are in a similar situation, sometimes I think how nice it would be to stop paying rent and frankly, there are months when I would be better off if I did. But in order not to sleep in the open air in Ottawa, I pay the rent for my room, and to avoid having my house taken away from me, in my riding, I make my payments.

I do not say that that provision of Bill C-241 could not be applied, for instance, in the case of a prime minister without any means. But it is known that such is not the case of the present Prime Minister, for besides having a personal fortune, his name appears on the payroll of the Canadian Treasury. I will no doubt be allowed to quote page 34 of the Beaupré report on the matter:

> From 1867 to 1873, the salary of the Prime Minister was equivalent to that of other Ministers of the Crown, namely $5,000 per year. In 1873, legislation provided for a salary of $8,000 per annum for the office. This amount was increased in 1905 to $12,000 and in 1920 to $15,000 per annum. The current salary of $25,000 per annum was authorized in 1954. An amount of $2,000 as a tax-free motor car allowance was first authorized in 1931 under an appropriation act and this same amount was incorporated into the 1963 amendment to the Senate and House of Commons Act. Since 1950, the law has provided for the operation and maintenance of a residence in Ottawa for the Prime Minister for which he pays an annual rental of $5,000. The Prime Minister is also provided with a summer residence and motor car. In summary, the current salary and allowances of the Prime Minister are as follows:

Sessional Indemnity as a Member of Parliament	$12,000
Sessional Allowance as a Member of Parliament	6,000
Salary as Prime Minister	25,000
Motor Car Allowance	2,000

All that amounted to $45,000 under the old law. And should Bill C-241 be passed, then the Prime Minister would receive $53,000 a year. This means a little more than $1,000 a week. I think that it is not so bad.

As it may be noted if we read clause 5 of the bill, to all these advantages, others are added, and I quote:

> 4. (1) The Governor in Council may appoint a steward or housekeeper and such other employees as he deems necessary for the management of the Prime Minister's residence, and may fix their rate of remuneration and conditions of employment.

Mr. Speaker, paying the rent of a man who earns $53,000 to be at the head of a government that asks people to tighten their belts, this is somewhat ridiculous. While he has a motor car at his disposal, for which gasoline is provided, and the use of a summer residence, we should have to pay for his rent on top of that!

To pay the rent of a Prime Minister who can also use government aircraft to travel across the world, appears rather surprising. To pay the rent of a Prime Minister who has an allowance of $53,000 in addition to his capital gains, when all Canadians who want to own their homes continue to pay the 11 per cent tax on building materials, when 70 per cent of Canadian families must do with an annual income of less than $4,000, that, in my view, could be called disgusting.

To ask the less affluent to pay the rent of the most affluent, when inflation is rampant, to ask them to pay the rent of the Prime Minister when factories are closing down and people are thrown out of work in Canada, to pay the rent of the Prime Minister in order to solve his housing problem when close to one million Canadians are looking for jobs, to pay the rent of the Prime Minister when pensioners aged 65 and over, who have lead an honest life, must be satisfied with an increase of 42 cents per month, is that really, Mr. Speaker, the just society that we have been promised?

I have here a summary of the Prime Minister's life as reported in part in the *Canadian Intelligence Service* of September-October 1969. It is in bulletin No. 36. It says about the Prime Minister, and I quote:

> 1940—He is expelled from the Canadian Training Officers' Corps for insubordination;

I have also an account of the life of another member of the Armed Forces, a guy discharged for health reasons after 23 years of service. In October 1970, he bought a small 26 x 40 bungalow for $16,000. Having made a down payment of $1,900, he will have to pay a monthly rent of $118 until the year 2000, for a total of $44,000.

The rent of a soldier discharged for insubordination is paid, but a model soldier must pay three times the price of his house. Frankly, this is a bit too much! If this is what we are coming to, Mr. Speaker, I wonder whether we will not be able to brag of having beaten the world record for hypocrisy.

We are paying the Prime Minister's rent while unemployed couples must manage with $133 a month and the disabled must do with a monthly $75 allowance to live and pay their rent.

At this stage, I would like to quote from a letter sent to me by the Québec Department of Social Affairs, directly from the office of the Minister of Health. Everybody knows that in Quebec, the Liberals are in power. Here in Ottawa, the party in power is also the Liberal party. If hardship exists, the federal government is also a bit responsible, since it agrees to pay 50 per cent of the cost of all pensions paid out in Quebec: disability pensions, needy mothers' pensions, unwed mothers' pensions and social welfare pensions. As far as the pensions for the blind are concerned, the federal government pays as much as 75 per cent of their cost in Quebec. Then to show you just what the situation is in Quebec where the federal government is concerned, I will quote from a letter I received from Mr. Richard Rivest, private secretary to the provincial Minister of Health. Here is what it says:

Dear Sir:

Further to your telegram of April 2nd instant, with respect to the above mentioned subject, I am forwarding under cover, for your information, a copy of a letter I am sending this very day to Mr. Larose.

I hope the enclosed information will prove helpful to you.

Yours truly,

There comes a time after two or three months of unanswered correspondance when I send telegrams. That is what I did in this case on April 2. I received a reply on the 23rd of April. You will admit with me that in Quebec, even under a Liberal administration, people are in no hurry to reply. Then the man concerned received the following answer:

Following the representations made on your behalf by Mr. Roland Godin, member for Portneuf, I am in a position to convey the following information in regard to your request.

According to the standards and regulations of the social assistance legislation, here is the detail of your financial situation.

Requirements: $101

For a married couple

Income: $133

You will therefore note that you are not eligible for the requested assistance since your income exceeds your requirements.

I regret that I cannot be of any more help to you.

Yours truly,

Richard Rivest,
Assistant Private Secretary

Mr. Speaker, that is what happened. That family was just about to lose its small home—

[Mr. Godin.]

The Acting Speaker (Mr. Richard): Order. I must remind the hon. member that we are considering Bill C-241, "An Act to amend the Prime Minister's Residence Act". I realize indeed that one may state some facts to support an argument, as did the hon. member for Portneuf at the beginning of his remarks. However, since the hon. member is talking about a particular case of an individual who is trying to assert his rights to welfare, it seems to me that his remarks could be much briefer concerning this case.

Mr. Godin: Thank you, Mr. Speaker.

Finally, we would pay the rent of a prime minister who grants interest-free loans throughout the world to build sewage systems, while Canadians must borrow from the Central Mortgage and Housing Corporation at 8½ per cent to build their own house. It is preposterous.

We can read in the bill and I quote:

RECOMMENDATION

His Excellency the Governor General has recommended to the House of Commons the present measure to amend the Prime Minister's Residences Act to change the name to the Official Residences Act; to provide that certain lands and buildings shall be maintained as residences for the person holding the recognized position of Leader of the Opposition in the House of Commons and for the Speaker of the House of Commons respectively; to provide for the furnishing, maintenance, heat and keeping in repair of the buildings and for the maintenance and improvement of the lands; to provide that the Governor in Council may appoint staff for the management of the Prime Minister's residence and fix their rate of remuneration; to provide that any benefit received or enjoyed by the Prime Minister, the Leader of the Opposition or the Speaker of the House of Commons under or by virtue of this Act shall be deemed to be received by him as a living allowance expressly fixed by this Act; and to provide for consequential and related matters.

That is what the Governor General recommended. Again I think this is wonderful but I claim it is simply a gesture of generosity on the part of the Governor General. He is almost obliged to do that since he simply recommends for the Prime Minister the allowance he himself gets.

In the case of the Governor General, we tolerate that since he is the representative of Her Majesty the Queen. Moreover, we know that Her Majesty has financial difficulties at the present. And if we provide for the maintenance of the Governor General's residence, it is a favour on our part—

Mr. Ryan: Ah, dispense!

Mr. Godin: —since Canada pays all the expenses of our representatives throughout the world.

• (4:00 p.m.)

Another point I should like to touch lightly concerns the Leader of the Opposition that we find in and is referred to in clause 3 of the bill. Here again, it is easy to

see that the proposal is interesting enough for him. Now, I will quote from issue No. 39 of the Minutes of Proceedings of the special joint committee of the Senate and of the House of Commons on consumer credit which had been appointed to inquire into poverty in Canada. This was recorded during its meeting of Tuesday March 21, 1967. I quote from page 3137 which states:

BRIEF SUBMITTED TO THE JOINT COMMITTEE OF THE SENATE AND OF THE HOUSE OF COMMONS ON CONSUMERS CREDIT (PRICES) BY THE DEPARTMENT OF PUBLIC COURSES OF SAINT-FRANÇOIS-XAVIER UNIVERSITY SYDNEY, N.S.

Mr. Chairman:

My name is Duncan MacIntyre and I represent the Department of Public Courses of the Saint-François-Xavier University of Sydney, N.S.

I have the honour of submitting this brief on behalf of the Department of Public Courses of the Saint-François-Xavier University and in the name of low income families of the eastern counties of this province.

The problem of housing in Nova Scotia

Generally speaking, Nova Scotia is confronted with the same problem as the other Canadian provinces. Statistics show that:

One fifth of our houses accommodate an excessive number of people and are without running water, bath and shower;

More than one fifth of our houses are deprived of water-flushed lavatories and we have twice as many dilapidated houses as the national average.

Finally, the author of the brief has this to say:

We have endeavoured to show that neither the private sector nor the governments, whether through the Central Mortgage and Housing Corporation or the Nova Scotia Housing Commission, can meet adequately the needs of our many poor families. We have also endeavoured to show that the dwellings subsidized by the federal and provincial governments cannot solve the problem once and for all, especially at the financial level.

In the light of this brief that was prepared by a representative of the University of Nova Scotia, one can realize what the housing situation is in Nova Scotia.

Those accepting to live in such conditions must really be peace-loving people. And I am sincere when I say that in the province of Quebec, people would not have tolerated a similar situation for so long. In the province of Quebec, given such circumstances, everything would have blown up long ago. However, the people of Nova Scotia are peace-loving. To wit, they put up for fifteen years with the Leader of the Opposition as prime minister. While for people to be peace-loving is a commendable trait, nevertheless I believe that a political leader should behave in a rather energetic manner. This one left his province half built and still dilapidated after fifteen years of administration. Thereby he simply proved that he was retreating and had misgivings about the results of his proposed reforms.

Should he accept that his rent be paid by this country, the Leader of the Opposition will but deserve the additional name of "deserter" besides those already applied to him.

The Standing Orders stipulate that an opposition member does not have the privilege of introducing a measure involving the expense of public funds. In this case, I did not find any provision that would prevent the hon. leader of the opposition from asking that the bill before us be withdrawn.

On the other hand, if the leader of the opposition persists in seeking cover from the inconvenients of the capitalist system—that is scarce and high-priced living accommodation—and taking advantage of the proposals contained in the bill, I shall be obliged to move an amendment at the committee stage.

In fact, if the country is financially capable of paying the rent of its Prime Minister, who will be making $53,000 a year, and capable of paying the rent of the leader of the official opposition, I feel that same country, with all the wealth we know it has, should pay the school and municipal taxes of all Canadian family heads who own a small house and earn less than $5,000 a year.

If we can spare the Prime Minister his rent when he earns $1,000 a week, the government should see to it that a system is set up whereby help could be given, where municipal and school taxes are concerned, to all those Canadians who already own a small house and make less than $5,000 annually.

I also believe it would be in order to take advantage of the generosity offered by the bill to claim reimbursement by the government of the annual rent of all heads of Canadian families earning less than $5,000.

I want to join the previous speaker in commending the Speaker of the House, whom I hold to be a perfect individual who carries out his duties very well. I know the Speaker's job is unrewarding and so demanding as to require the incumbent's fulltime attention. Whether this is realized or not, I am sure the Speaker does not have the time required to look after his constituents. I therefore propose that the office of Speaker become permanent as it is second in importance to no other in the country, in my opinion.

As a Créditiste, and in favour of security for all Canadians, I feel it to be in order also to point out that the present bill, dealing only with the welfare of leaders, is inadequate. As I have mentioned before, I intend coming back to that matter at another stage of the bill. That is all I have to say at this time Mr. Speaker.

[*English*]

The Acting Speaker (Mr. Richard): Is the House ready for the question?

Some hon. Members: Question.

The Acting Speaker (Mr. Richard): Is it the pleasure of the House to adopt the said motion?

Mr. Godin: On division.

The Acting Speaker (Mr. Richard): Carried, on division.

Motion agreed to, bill read the second time and referred to the Standing Committee on Procedure and Organization.

Prairie Grain Stabilization Act

PRAIRIE GRAIN STABILIZATION ACT

PROVISION FOR PAYMENTS TO WESTERN CANADA PRODUCERS IN YEARS WHEN RECEIPTS BELOW FIVE-YEAR AVERAGE

On the order:

April 29, 1971—Second reading and reference to the Standing Committee on Agriculture of Bill C-244, An Act respecting the stabilization of prairie grain sale proceeds and to repeal or amend certain related statutes.—The Minister responsible for the Wheat Board.

Mr. Gleave: On a point of order, Mr. Speaker, may I draw to your attention the fact that this bill actually carries within it two separate proposals. For that reason, those two proposals ought to be separated and two bills ought to be prepared accordingly.

In support of my request, may I draw to your attention that clause 32 of this bill deals with the payment that will be made directly out of treasury funds. It will be a payment made for one year, on an emergency basis, to meet the situation which the government recognizes as existing, whereas the rest of the bill deals with the long term proposal for prairie grain farmers. The long term proposal will be reviewed in 1976 and at that time we shall determine whether the amounts, deductions and so forth are adequate for the program. It is, therefore, an ongoing program which will last not for five years but for a number of years thereafter. I, therefore, submit to Mr. Speaker that this House should have the opportunity to examine carefully that long-term, ongoing program in the light of its implications for the future of the farmers of western Canada. In view of the urgency of the farming and economic situation on the Prairies, the short-term program should receive the immediate consideration of this House so that the distribution of moneys involved in clause 32 can be undertaken without delay. I say that because we are very close to and, indeed, into the costly planting period in Saskatchewan, Manitoba, Alberta and that part of British Columbia which is affected by this bill. I, therefore, ask Your Honour to give this matter urgent consideration and permit us to deal with this bill in the manner suggested.

• (4:10 p.m.)

Mr. Lang: On the point of order, Mr. Speaker. Points of order urging the separation of bills have been argued from time to time before Your Honour, but rarely, I would think, on a ground more tenuous, less substantial, than in this particular case. The total content of this bill has been before producers for discussion for some six months, now. The transitional feature to which the hon. member referred is tied into this legislation and is totally based upon the stabilization provisions contained in the body of the bill as well as the repeal of the Temporary Wheat Reserves Act, which is likewise provided for in the measure. The contents are tied completely together, as I had occasion to indicate to the hon. member when he raised this matter in the House earlier. It would be a great disservice, and most misleading in some ways, to separate these issues, to indicate that the payment was separate and distinct rather than part of a total plan, a total package, as it is.

[The Acting Speaker (Mr. Richard).]

Mr. Korchinski: In support of the argument presented by the hon. member for Saskatoon-Biggar, may I say that though I cannot quote the particular reference in *Hansard*, I did on one occasion ask the minister whether the amount of money involved here was tied into any particular plan or program. He replied that it was simply a figure which had been accepted and that it was no way contingent upon anything else; it was simply a transitional payment. This being the case, the operation of the bill before us is not, as a whole, contingent on the existence of clause 32 at all. The clause serves no useful purpose, though it did so on one particular occasion. An item in the estimates would have served the same purpose. It is true a vote would have been necessary in the House. But it would not have been necessary for the House to accept all the other clauses of the bill, subject to the modification of certain clauses to which hon. members might for one reason or another take objection. The difficulty here is that one has to accept the measure as a whole, together with one clause which is not necessarily related in any way to the operation of the legislation.

I suggest, Mr. Speaker, that you take time to consider whether this particular clause is in any way related to the operation of the stabilization provisions, or whether the stabilization bill might not stand without the inclusion of that clause.

Mr. Horner: I, too should like to support the point of order raised by the hon. member for Saskatoon-Biggar. Basically, this bill is a long-range income stabilization program for farmers in the Prairie provinces. The transitional or temporary payment with which clause 32 deals is intended merely to meet a situation of short-range need. I urge Your Honour to consider the separation of those provisions, particularly in view of the desperate situation Prairie farmers face and the seeding expenses which will need to be met early this spring.

The bill before us has just begun its long progress through the House and the committees. If clause 32 is contingent upon this bill passing, as I understand to be the case, payments could not go out to farmers until July 31 at the earliest when the Temporary Wheat Reserves Act expires. I see the minister shaking his head in a negative manner. I am pleased to note this response. I hope I am right in reading his negative shake correctly. In my judgment, the transitional payment dealt with in Clause 32 would be readily accepted by the farmers as a means of bridging the short-term gap. But if it is tied in with the other long-range proposals, it would appear to be a bribe, an inducement for farmers to accept the long-range proposals as a price for obtaining the benefits of temporary financial assistance. I do not believe this is the proper way in which legislation should be submitted. It should stand on its own feet, and in these circumstances I believe the Chair should seriously consider separating the two aspects of legislation before us.

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, the point of order raised by my hon. friend from Saskatoon-Biggar is, as the minister pointed out, not a new problem for the Chair. It has arisen repeatedly over the years. I suppose the most recent case which did create a

dilemma for the Chair was that of Bill C-207, a bill which was obviously an omnibus bill.

I recognize that, having given the matter due consideration, the Chair took the position on that occasion that it could not direct the government to divide the bill. However, I believe there was a suggestion from the Chair that this kind of thing would need to be looked at more closely in the future. The same issue has been raised in connection with other bills this session. Though the position is not completely on all fours, I might perhaps mention the dollar items in the supplementary estimates a short while ago, because there is a certain parallelism. In that case, the Chair did rule that these items could not properly be embodied in the particular bill and they had to be taken out and covered by separate bills.

The last thing I would claim would be to assert, I am an expert on the bill before us. I suppose, Sir, you would join with me in a similar pretension of modesty. But it seems to me that the essence of the bill is to be found in the first 31 clauses, and perhaps in one or two clauses at the end. These relate to a clear proposition, namely the establishment of a stabilization fund, stabilization levies, a stabilization account and so on. Without going into the substance of the measure, I note it all hangs together: farmers are required to make certain payments, certain rules are laid down about the levying of those payments, and benefits are received under certain conditions.

Clause 32, on the other hand, does not involve the principle of payments on the basis of which one receives benefits. It refers rather to payments to be made in one specific year out of the Consolidated Revenue Fund. I submit it is a totally different proposition, and that it is quite improper to have these two totally different propositions combined in what we have to call one omnibus bill. So far as members are concerned, what bothers them most of all about this kind of thing—this is a complaint that we have made about most omnibus bills—is that they are called upon to vote for the bad because they want to vote for the good. I make no apology for complaining about that sort of situation. We had it last year with a bill that did something about pensions of retired civil servants and something about pensions of Members of Parliament as well. We were put on the spot, having to vote on "apples and carrots" at the same time.

• (4:20 p.m.)

Here again, we have two separate proposals. I heard no objection to my attempt to describe them. I repeat that the long term one is a kind of insurance scheme. You are required to make certain payments to establish certain benefit rights, and you get those benefit rights on the basis of what you have paid in. But tucked into the same bill is the special provision for one year which does not follow the rules of the general stabilization plan. I detect, certainly among members from western Canada, a keen desire to support the special transitional payments clause of this bill and to get it made law first.

Mr. Korchinski: Thatcher, bill 16.

Mr. Knowles (Winnipeg North Centre): Someone makes reference to Thatcher, whoever he is, but that is beside the point.

Mr. Lang: It is a variety of wheat, Stanley.

Mr. Knowles (Winnipeg North Centre): Good humour aside, these two propositions are completely different. I also have the feeling that the omnibus character of this bill goes a step further. Clause 33 calls for the repeal of the Temporary Wheat Reserves Act. My special assistant on agriculture, the hon. member for Regina-Lake Centre (Mr. Benjamin), tells me that it has nothing to do with what is in the bill, that it has to do with storage and that sort of thing. Then, I look at clause 34 which seeks to amend the Prairie Farm Assistance Act. In that clause there is a kind of cross reference to the prairie farm emergency fund; but any proposal that alters or repeals parts of the Prairie Farm Assistance Act, which is a long term piece of legislation, should surely also stand on its own feet.

It may be that somebody can establish a relationship among these three or four provisions, but I submit their only real relationship is that they all deal with agriculture. This is the kind of problem that has arisen with other measures. For example, all the clauses of Bill C-207 had something to do with the government or aspects of government, but it was obviously a bag of many things, and that bill has not gone through yet simply because of the difficulty of dealing with an omnibus measure.

I have pressed my point in procedural terms. I have tried to reveal enough awareness of the substance of the bill to be able to talk about it; but as I say it strikes me it is quite unfair to face the House with a bill that has in it provisions that are totally different, particularly when we may be desirous of passing one of its provisions as it stands and the House may want to examine very carefully the other or long term provisions.

I think the Chair should consider giving the direction that this is another omnibus bill that ought not to be before us in this form but should be withdrawn and presented again as at least two bills, possibly as three.

Mr. Benjamin: Mr. Speaker, I rise to support the contentions made by hon. members on the point of order. I confess immediately that I am not an expert on the rules. I fully agree that up to clause 32, plus clauses 35, 36 and 37, the provisions are properly an item of legislation. In addition to the comments made on clause 32 I should like to add, in as reasoned and concise a manner as I can, that special transitional payments bear not the slightest resemblance of relation to what is envisaged in the main portion of the bill in regard to a Prairie grain stabilization fund.

The hon. member for Winnipeg North Centre has drawn into the discussion clause 32, and I defy anyone to tell me how the provisions of the Temporary Wheat Reserves Act relate in any way, shape or form to the prairie grain stabilization proposals in the main portion of the bill. That Act has to do with storage paid on grain

to elevator companies. It has an indirect relationship to grain producers in the sense that it would save them some grain storage costs, but it is a completely separate item.

The Prairie Farm Assistance Act might have some vague relationship with levies, and if the minister were bringing in some amendments to our crop insurance law then it would be proper for him to couple with those amendments some amendments to the Prairie Farm Assistance Act, or a provision to repeal the act. But again it bears not the slightest resemblance to or has not the slightest relationship with the Prairie grain stabilization fund.

I submit that we have here a bag of tricks. I think this bill plays fast and loose with the rules. Further, it plays fast and loose with the ability of Members of Parliament to judge each of these separate items on its own merit, and to vote either for or against. Placing all of these into the one package inhibits, and I suspect will prevent, many members of this House from dealing adequately with the bill. I respectfully suggest, request and urge the Chair to curtail this practice by ruling that it be not allowed to continue any further. I submit, with all respect, that this practice has been followed too many times during the life of this Parliament. Being a new member, my impression is that it has been followed much more frequently in this Parliament than in any other, though I stand to be corrected on that.

The three clauses of the bill, clauses 32, 33 and 34, are in fact separate from each other and different pieces of legislation. They are put in this bill as a package, and I submit that this procedure is completely unjustified. These clauses should be separated from each other so they can be dealt with on their own merit as separate items of legislation.

The Acting Speaker (Mr. Richard): I regret to inform the hon. member for Saskatoon-Biggar that since he has already spoken he cannot take the floor again.

I have heard the very lengthy and interesting arguments presented both by the minister and hon. members. The point that has been raised by the hon. member for Saskatoon-Biggar is not entirely a novel one. As one who has been in this House for quite a few years, it is a point which I have been expecting to crop up again and again, since the bills presented during the past few years are somewhat different in form from those which some of us have debated in the past.

• (4:30 p.m.)

On the other hand, I quite realize that within our rules there is very little authority for the Chair, at this stage of the proceedings, to divide a bill or ask that it be withdrawn. As one who likes some finality but also likes to avoid making hasty decisions, I suggest that the subject matter be referred to the Speaker for consideration and for a ruling which might affect similar bills in the future.

This is a suggestion only, but the minister might consider the suggestion that this matter should be left in abeyance and another matter proceeded with until such a decision has been presented by the official Speaker of this House.

[Mr. Benjamin.]

Mr. Burton: Mr. Speaker, on the point of order which has been raised, and I appreciate what you have just said in respect of this matter, I wonder if I might have a moment to draw to your attention, for consideration while this matter is being reviewed, a statement made by the minister in charge of the Canadian Wheat Board which has a very substantial bearing on the point raised by my colleagues.

I should like to briefly draw attention to one paragraph of the statement made by the minister on March 15. I am sure it will be recognized that this does have a bearing on the point. When the minister in charge of the Canadian Wheat Board presented his revised proposals on March 15, which form the basis for the legislation now being considered, he said in part, "there are very many substantial social and economic questions to be answered before appropriate government action to deal with total returns to grain and oil seed producers can be determined. The special payment of $100 million this year, combined with improved sales, will assist grain farmers markedly this year and permit time for the careful consideration and discussion required." Of course, the latter part of this statement refers to the permanent features of the plan contained in Bill C-244.

Mr. Lang: Mr. Speaker, I rise essentially on a question of privilege in order to clarify the comments of the last speaker. I should like to indicate that his suggestion that the last statement had anything to do with this bill is erroneous. Rather, it was a reference to the total question of the income position of farmers, without specific relation to the bill itself. As has been made very clear on many occasions, the bill is a totality, and the urging of hon. members to drop the transitional feature would, in effect, practically eliminate it. The totality of the stabilization fund and the repeal of the Temporary Wheat Reserves Act are basically essential to the total position taken in the bill.

The Acting Speaker (Mr. Richard): Is it agreed that consideration of the point raised by the hon. member for Saskatoon-Biggar be deferred and that we proceed with the next order of business?

Some hon. Members: Agreed.

* * *

PRAIRIE GRAIN ADVANCE PAYMENTS ACT

AMENDMENTS RESPECTING RATE PER BUSHEL, EMERGENCY PAYMENTS, EXTENSION OF APPLICATION TO RYE, FLAXSEED AND RAPESEED

Hon. Otto E. Lang (Minister of Manpower and Immigration) moved that Bill C-239, to amend the Prairie Grain Advance Payments Act, be read a second time and referred to the Standing Committee on Agriculture.

He said: The bill before the House to amend the Prairie Grain Advance Payments Act is a further step in attempting to rationalize and improve the situation of the grains industry of this country. Over a period of recent months, we did a significant number of things to allow the farmer to put his remarkable efficiency to better use by improving the system which faced him and over which he had no control. Perhaps the most notable thing done which is related to this bill was the alteration in the quota system announced for next year by the Wheat Board, which was in part also in effect this year.

As a result of that change in the quota system, the ancient special bias toward wheat compared with other grains has been removed in order that the farmers' decisions about which grains to grow might be more directly related to market conditions and the conditions of their own farms rather than to special incentives, disincentives or other biases which might be put into the system by the government or agencies under its direction.

The amendments to the Prairie Grain Advance Payments Act are designed in part to do the same thing in relation to grain; that is to say, they are designed to remove the bias in favour of wheat which clearly existed in the cash advance system up to this time. That is done in the bill by changing from a fixed bushel amount, that is an equal bushel number for wheat, barley and oats, to numbers of bushels which will vary from grain to grain, reflecting as accurately as possible the likely delivery of those grains during an ensuring crop year.

The amount of advance on any particular grain will, therefore, be related to the delivery opportunities and the likely delivery value of the grain for that year. Under the existing law, the farmer is basically faced with a $6 maximum per acre if he is obtaining his advance based on wheat, $4.20 if he is taking his advance on barley, and even less for oats. Under the proposed formula, the amount per bushel which he may obtain by way of an advance will be related from year to year to the initial price for the various grains, so that the amount per bushel will vary as between wheat, barley and oats. However, the number of bushels will also vary. In the ordinary course of events, the delivery prospect for barley is significantly higher in bushels than wheat, and the number may in turn be significantly higher for oats.

The general provisions in terms of requirements of grain on hand and delivery will be maintained. The other main proposal by way of change relates to the assurance that in any normal year advances will be repaid in the year in which they are taken. The repayment amount for each of the grains will be set at a per bushel rate in the same amount as the advance, so that as delivery occurs during the course of the year the advance will be repaid. This will restore the cash advance system to its originally intended purpose. It will be available to farmers during those periods of time when delivery opportunities are limited or slow, in order that they may obtain cash, interest-free, when they require it by way of advances on delivery of grain later in the crop year.

Prairie Grain Advance Payments Act

• (4:40 p.m.)

The change which was made in the last set of amendments to the cash advance legislation was of notable importance to the prairie producer over this last difficult period. It did, in the course of the very worst year in a series of years, allow the prairie grain farmer to obtain by way of advance a very significant amount of cash, many millions of dollars. I believe the maximum figure reached in the course of the advances of a year ago was $272 million, and this at a time when delivery opportunities were very limited because of total world marketing conditions. The farmer's position, therefore, at that time in terms of cash from grain sales was at its very worst.

That accumulating cash advance situation, of course, could not be allowed to go on very long. Indeed, I believe it is fair to say farmers themselves were wary of the growing total of advances in their hands and recognized the need to bring the amount back down into repayable ranges. In the course of this year, because of the very significantly increased exports of grain, cash advances are being reduced significantly so that at the present time something between $90 million and $95 million is outstanding in advances compared to a much higher figure a year ago.

Mr. Horner: In the hands of how many farmers?

Mr. Lang: I do not have the figure in front of me, although I am sure I can turn to it in a moment. The cash advances, therefore, with the rate at present at $1 for wheat with repayment at half the initial price, did serve a purpose in that period when no other stabilization system existed and when therefore there was really only this alternative within the system for attempting to even out the very low points in a producer's grain income. It was the rather undesirable means of bringing more grain into the system, more than was required for any commercial reason, which therefore would be in the system at the expense of the total income of the grain industry. The cash advance system at least was a far more sensible system of getting cash into the farmer's hands, although it was there in their hands in the form of a loan. The loan aspect, of course, was of some concern to the farmers.

The hon. member for Crowfoot (Mr. Horner) asked how many farmers held advances. As of April 23, the last report I have in front of me, a total of 51,285 advances had been issued in the 1970-71 crop year for a total of $90,605,350 for that year. At that point of time, on April 23, the total of the advances outstanding for that year and the previous year was $95,845,992. In the approximately comparable period of April 24, 1970, a similar report would have shown 121,092 advances having been made for the crop year 1969-70 for a total of advances of $270,754,372. The total amount of advances outstanding on that date, April 24, 1970, was $228,291,024, a difference of $130 odd million in the two years. It is true that repayment had to come out of this year's income that is one of the very important cash factors facing the grain

farmer at this time. But this does demonstrate, in the absence of any other stabilization program, why the cash advance system as it then existed was available to provide farmers on an interest free basis to tide the mover at least to a little extent in some of the very worst periods of 1969-70, which would have been infinitely worse if the advances had not been available.

Now, with a different form of stabilization, such as an outright payment to farmers in the difficult years when the amount of cash flowing is lower than the previous average, or the use of cash advances, which was never really intended at the beginning, will no longer be necessary. The bill, therefore, in my view brings the cash advance system in these respects back to the original intention of relating the advance in the initial period to a proportion of the income which the farmer expects to obtain from the sale of grain during the course of the year. These amounts will be set from year to year according to the best information available as we enter a crop year.

Another significant change being proposed in these amendments which, likewise in an important respect, brings the bill back to its original intention is one which indicates the requirement of interest to be paid by those farmers who use the cash advance legislation not as an advance on money for grain they will deliver later in the year but rather simply as a way to obtain an interest free advance because they are permit holders. The bill provides, therefore, by way of amendment that interest will be payable on only those cash advances taken by farmers who, instead of delivering grain as would have been expected because they had grain as security for their advance, pay the advance off in cash at some point in the year.

Two other changes in the bill deal with situations which have arisen in the past where farmers have been in special difficulty, and where the cash advance system can be used to avoid the difficulty of the moment. I refer to the clauses which would permit the extension of cash advances in the exceptional circumstances of the requirement of money for the drying of damp grain, as well as when there are climatic conditions over which no one has control and when the grain cannot be harvested as we go into the winter but remains on the farms under the snow in fairly harvestable position but not yet in the farmer's bins. In both cases, where required by the circumstances, it will be possible to extend the cash advance system to farmers along the lines of the extensions which have been legislated by the House in those circumstances in the past without going back to the House for such legislation. This will mean we may be able to act more expeditiously in such circumstances to meet the needs which themselves are frequently very significant and a burden when time is clearly of the essence. I, therefore, am pleased for these purposes to move that the bill be read a second time and referred to the committee.

Mr. Burton: Mr. Speaker, may I ask the minister a question before he resumes his seat?

The Acting Speaker (Mr. Richard): The minister has time remaining and may answer a question if he is prepared to do so.

[Mr. Lang.]

Mr. Burton: Mr. Speaker, I wanted to ask the minister a question concerning his reference to the charging of interest on cash advances where farmers simply repaid the extended cash advance in cash rather than by way of deductions from grain delivered. Has the minister taken into account the situation of farmers in various circumstances, such as that of a farmer who may attempt to grow registered or certified seed but who may not know until sometime after he has taken the grain off whether or not that grain will be acceptable as registered seed grain. Thus, the farmer may deliver his grain as straight commercial grain or he may eventually sell it as registered seed. In the meantime, however, he takes a cash advance. Is there any way in which the circumstances of such a farmer can be taken into account, and would such a measure not fall into conflict with the proposed subclause (2) of clause 5?

• (4:50 p.m.)

Mr. Lang: We certainly did give consideration to the sort of situation to which the hon. member and others referred, where the farmer may quite properly change his intentions in the course of the year in regard to the use of his grain, although he originally intended to deliver it. These situations are relatively rare, especially in circumstances when the farmer is left without deliverable grain on hand. I will be very glad to discuss with hon. members in the committee the detailed problems that arise in trying to cope with the specific situation, which ideally we should like to do.

The real balance to be drawn here is between ruling out any special treatment for those very special cases because of the difficulty of dealing with them in order not to create tremendous difficulties for the administrators, the Wheat Board, and the agents of the Wheat Board who have to administer the cash advances. I will be very glad to discuss possible solutions to that problem with hon. members in the committee, and to go over with them in detail the problems we see in the administration. I agree with the hon. member that in principle, if the administrative difficulties were not there, it would be useful to have a device for separating those who are in this legitimate position as compared with those who are really using the advance as an interest free loan without any intention of delivering the grain later. Intention is a difficult thing to determine, however, and that is part of our problem.

Mr. S. J. Korchinski (Mackenzie): I think that this legislation has perhaps been brought about by the changes in the quota system to some extent. I think also that the changes that have been proposed were a result of the government having reflected upon some of the changes that they had made in previous years, and realizing that they had been in error in the first instance. They realized that cash advance legislation was not functioning as it had been intended to function. I remember the debate on that particular occasion very well. It was pointed out at the time that the government was going to run into a snag in that no farmer could repay his loan in one year in view of the amount he could draw and the amount of grain that he could deliver. The original inten-

tion of the government was to bring in legislation which would provide immediately, and under pressing circumstances, $6,000 to producers who might require it. Perhaps that saved the government the embarrassment of having to provide some other funds to tide the producer over the difficult situation. In the absence of any other idea, they hit upon the cash advance legislation, but rather than make it functional they simply doubled the amount of the advance. As a result, they ran into a snag. However, the doubled amount which was made available was not recoverable in one year, which simply meant that in the subsequent years the amount of income available to producers was reduced by the amount that had to be recovered. That compounded the problem. Now, after several years of toying with the idea, the government finds itself in the position of having to recover the funds which were made available to the producers.

I do not find much objection to the principle of the legislation. After all, it was our party that introduced it. I can well recall the days when it was said that the Wheat Board would have to resign because they would not be able to recover these sums. This is an old story which is well remembered by many producers. I was very concerned about the reports that people had made submissions to the task force, which accepted the idea to some extent, that eventually the practice of cash advances should be eliminated. I would hate to see the day when this might happen simply to satisfy a few bureaucrats who think that farmers are toying with this money. This is not the case, and I think the minister would be the first to agree with me, because whenever these loans are taken out they are needed. This money has served the rural agricultural communities of western Canada very well over the years.

I am glad the minister has introduced the amendments and thereby dispelled to some extent the fears that were building up in western Canada that this legislation would be thrown overboard, as has happened with many other useful pieces of legislation. I commend the minister for acting on the advice that he has received, and also for listening to the pleas of the farmers that this legislation be continued. Also, I agree that the section of this bill which deals with unharvested grain is a useful provision to have on our statute books, because every time such a situation arises as a result of weather conditions over which there is no control we know that the government is prepared to act, rather than have these people come cap in hand to ask for some assistance.

As we know, legislation is slow in being passed at times. In the meantime, there is a great deal of anxiety and concern among the people involved. They do not know what the government will do. They are at the mercy of governments. Having this type of legislation on the books simply means that the people of Canada are prepared to assist in any emergency situation which may develop in any part of Canada. In this case, the legislation deals with the agricultural situation in western Canada.

May I call it five o'clock, Mr. Speaker.

PROCEEDINGS ON ADJOURNMENT MOTION

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

Mr. Deputy Speaker: It is my duty, pursuant to Standing Order 40, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: the hon. member for Regina East (Mr. Burton)—Post Office—Alleged difficulties resulting from new mail routings; the hon. member for Lotbinière (M. Fortin)—Regional Economic Expansion—Quebec—Application for interest-free loans from federal government.

It being five o'clock p.m., the House will now proceed to the consideration of private members business as listed on today's order paper, namely, public bills, private bills, notices of motions.

• (5:00 p.m.)

PRIVATE MEMBERS' PUBLIC BILLS

THE FOOD AND DRUGS ACT

AMENDMENT TO EXTEND CONSUMER PROTECTION AGAINST HAZARDOUS PRODUCTS AND FRAUDULENT ADVERTISING

Mr. Warren Allmand (Notre-Dame-de-Grâce) moved that Bill C-39, to amend the Food and Drugs Act, be read the second time and referred to the Standing Committee on Health, Welfare and Social Affairs.

He said: Mr. Speaker, this bill was first put on the order paper in 1966 following the hearings of the Joint Committee on Consumer Affairs which was chaired by the hon. Senator Croll and the present Minister of Consumer and Corporate Affairs (Mr. Basford). During the hearings of that committee we found that our consumer protection legislation in Canada was very inadequate, and in order to do something at that time I put forward several measures, one of which was this bill.

This bill proposes certain amendments to the Food and Drugs Act, to extend the coverage of that act to do two things. The first is to protect the consuming public from products which are hazardous and might cause some harm, and the second is to protect them from misleading advertising. As I say, the bill has been on the order paper through several sessions since 1966, and as I have spoken on it previously I will not take up too much time today.

Since I first introduced the bill there has been considerable improvement in our consumer protection legislation. To begin with, following publication of the report of the Joint Committee of the Senate and House of Commons on Consumer Affairs, a Department of Consumer and Corporate Affairs was established to promote legislation for consumer protection, and generally to serve the interests of the consumer.

Following the establishment of that department, several items of legislation have been passed, and some of

them have covered some of the matters which I have in my bill. Among those pieces of legislation, we have the consumer textiles articles act, which was passed in the last session. We have the Bills of Exchange Amendment Act, which was also passed in the last session which protects the consumer against recourse on promissory notes when there has been a defective product sold. We have had the bill to produce more competition in the drug business, which was known as a bill to amend the Patent Act, Trademarks Act and the Food and Drugs Act. We have had the move by the government to transfer administration of section 33 of the Combines Investigation Act from provincial to federal administration. That is the section which deals with misleading advertising. I might say that since the Department of Consumer and Corporate Affairs took over administration of that section of the law, there have been many more prosecutions and many more convictions. We have also had the Hazardous Products bill, which was passed by parliament, and which does some of the things proposed in my bill. We have had the Consumer Packaging and Labelling Bill, C-180, which was passed by the House this session, and the federal bill on co-operatives, Bill C-177.

All those items of legislation to which I refer were the result of recommendations of the Joint Committee of the House and the Senate. Since I was a member of that committee, I feel a bit encouraged by the fact that many of our recommendations have been put forward in law. Many of us who are backbenchers try to promote new ideas or reforms in several ways. We work on committees, and try to bring in committee reports which will do some of the things we want done. We introduce private members' motions and bills, hoping that the ideas in them will be picked up by the government, by certain ministers, by the press gallery, and that by promoting them in this way we will eventually have them adopted by the government, and adopted as legislation by this House.

In the area of consumer legislation, a lot has been done since we had that committee in 1966. Many of the items I have in my bill, C-39, have been adopted and so the bill is not required in the same way as it was when it was first prepared. However, there are still certain matters that have to be covered, and certain reforms that have to be accomplished. Some people in Canada will argue that we do not need consumer legislation. They feel that with a free market economy all we have to do is guarantee that there will be the freedom of contract, and that the consumer will be protected against fraud and other criminal practices. But, Mr. Speaker, things have changed a lot in the market place, especially in the consumers' market place, since those laws were originally introduced.

Today, the products which are for sale at a retail level are extremely complex. It is not like the days when our parents went into the corner butcher store or corner grocery store. They knew the owner of the store. The products were simple and they could rely upon the merchants with whom they dealt. Today most consumers deal through large supermarkets or department stores. They are dealing with clerks who are part of a long chain of responsibility within those large stores. The products, as I have said, are very complex and have many additives.

For example, in the grocery business we have what are called convenience foods, prepared foods. They are not simply produced as they were in the old days. You are not getting just a basic piece of meat or vegetable. There are many chemicals and additives put into the package or tin. You have many products that are partially cooked, or that have been cooked and frozen, and so forth. As a result, the consumer is confronted with large, impersonal retail businesses, and he is confronted with products which make it difficult for him, as a layman, to understand everything connected with them.

In addition to that he is confronted with a massive advertising program, a type which was not seen 20 or 30 years ago. Of particular importance is the impact of television advertising, magazine and newspaper advertising, advertising over the radio, and even door-to-door selling. When you put all these together, that type of advertising with that type of retailing, and the type of products being sold I submit, and I think most hon. members would submit that we need much greater protection for the consumer who, even if he is diligent when he goes to make a purchase, cannot possibly deal on an equal basis with the person who is selling to him.

For this reason, I urge the House to pass this bill, particularly those items in it which have not been covered by present government legislation. And I also urge the members of the House to push for further reform in our consumer legislation. Unfortunately, the Minister of Consumer and Corporate Affairs is not here today. I presume he is in British Columbia meeting the British Queen, but I hope these remarks will be brought to his attention. As I said, Mr. Speaker, this bill has been before the House previously and I do not have too much to say about it, but I merely put it to the House that this is an important matter. It covers a lot of important transactions with which the ordinary Canadian has to deal, and I urge that the House accept the principle of this bill.

• (5:10 p.m.)

Mr. W. M. Howe (Wellington-Grey-Dufferin-Waterloo): Mr. Speaker, I hesitate to get into this debate, having been castigated by the press and some other people because I took the side of the manufacturer and the big bad business man in the debate on the packaging and labelling bill. I do have a lot of sympathy for these people, however, and I bemoan the fact that so many people are down on those who run the stores and operate the businesses, who are twisting and turning and doing their utmost to find a product that the consumer will like. There are graveyards filled with products that these merchants have tried to sell but which have had to be thrown aside when not accepted by the public.

I do not think all business people are guilty of fraudulent practices or of trying to put down the consumer. I admit there are areas where there should be more consumer education and better understanding of the products presented, then perhaps mistakes would be avoided.

There is great confusion in the marketplace, but I think some of it is created by the way in which we want to live these days. Twenty or 30 years ago, all the meat was sold in the butcher shop, the groceries in the grocery store and the drugs in the drugstore. Now, we go to the market and see groceries, meat, drugs and clothing all in the same store, so there is reason for consumer confusion.

I realize there are areas in which this bill is an advantage. I refer to the things I have been talking about for so long in this House and in committee with regard to hazardous products. We had a hazardous products bill and I pressed the Minister of Consumer and Corporate Affairs (Mr. Basford) to do his utmost to find a container for hazardous products. Each year in Canada over 50,000 children are poisoned. Some of these children cannot read, so it is important that it be made more difficult for them to get at the bottle of aspirin or pills that is going to be harmful. This is an area where we should be more definite.

In the Committee on Health, Welfare and Social Affairs about a week ago I asked the minister about these containers. He said, "We have sent directives out to the drug companies that they should consider putting pills that might be dangerous to children in these specially capped bottles." I do not think that is good enough. There should be regulations covering this type of thing. We have regulations for a lot of things, and if we are going to protect children we should have regulations covering these containers. I do not think it is enough just to label the package. I do not care what kind of symbol is put on it, a child of three or four years of age does not know what it means. They see mommy or daddy take a pill out of a bottle in the medicine cabinet, so they think that is the thing to do. Next, they climb up, get the bottle and take the pills.

The same situation applies to bleaches. Clause 40 reads:

> No person shall sell any soap, detergent, or cleanser that has in it any substance that may cause injury to the health of the user when it is used according to the directions or for such purposes as are customary or usual.

We know that there are bleaches which would be injurious and that is where the difficulty is. A child may drink bleach, feel pain and even die from the effects. The next time the hon. member for Notre-Dame-de-Grâce (Mr. Allmand) brings in this bill, he might include some regulations with regard to hazardous products in order to ensure that these accidents can be prevented.

Mr. Maurice Foster (Algoma): Mr. Speaker, I should like to make a few brief comments on Bill C-39, to amend the Food and Drugs Act as brought forward by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand). The explanatory note to the bill is rather interesting. It reads:

> At present the Food and Drugs Act protects consumers by making it an offence punishable by fine and prison to sell hazardous substances and to use fraudulent advertising and sales promotion with respect to foods, drugs, cosmetics and devices. This bill would extend that protection to include these additional consumer products:
>
> (a) Soaps, detergents and cleaners.
>
> (b) Fabrics and cloth.
>
> (c) Paints, dyes and tints.
>
> (d) Mechanical household appliances.

The hon. member is to be congratulated on bringing forth this kind of bill which deals with consumer legislation. Certainly, there is a very enlightened section of our society today which is concerned with this subject. It seems to me that as our society goes forward and becomes more sophisticated, regardless of how we may oppose this, people want and expect more protection by the state. They expect protection from bad drugs, dangerous products or dangerous equipment.

This Parliament has been notable for the amount of legislation brought forward in this field. Back in the first session, there was a bill which dealt with reducing the price of drugs and there was the Hazardous Products Act which did many of the things suggested in this bill to cover items that really are not drugs but are found in the home and can be dangerous if improperly used. In the present session of Parliament, there has been the packaging and labelling bill as well as changes to the Weights and Measures Act, and the many other bills which dealt with consumer protection.

The present technological age has brought great benefits to mankind. At the same time, however, man is now faced with a great variety of complex materials including foods, drugs, medical devices, household chemicals, appliances and wearing apparel. The general public is not in a position to assess the hazards associated with the use of many of these products, or to appreciate whether or not they are presented in a fraudulent or misleading manner, so hence must rely, to some considerable extent, upon government bodies for protection.

Bill C-39 proposes that the authority of the Food and Drugs Act, in protecting the consumer, should be extended beyond that of foods, drugs, cosmetics and medical devices to include the items I have mentioned. In speaking to Bill C-39, perhaps it would be desirable, at the outset, to comment briefly upon the matters presently contained in the Food and Drugs Act. The Food and Drugs Act is a consumers' act intended to protect the consumer from health hazards and fraud or deception in the use of foods, drugs, cosmetics and medical devices.

• (5:20 p.m.)

The basic provision about foods is that no foods shall be sold if they have in or upon them a harmful or poisonous substance or if they are filthy, putrid, disgusting, rotten, adulterated, diseased or were manufactured or stored under unsanitary conditions. Another provision about foods relates to fraud or misrepresentation. This section provides that: "No person shall label, package, treat, process, sell or advertise any food in a manner that is false, misleading or deceptive or is likely to create an erroneous impression regarding its character, value, quantity, composition, merit or safety." This is a very wide and strong prohibition indeed. In the food section of the food and drug regulations considerable space is devoted to the control of the chemicals which may be added to foods and to the amounts of pesticide residues

which may remain on foods without constituting a health hazard.

With regard to drugs, the Food and Drugs Act requires that "No person shall label, package, treat, process, sell or advertise any drug in a manner that is false, misleading or deceptive or is likely to create an erroneous impression regarding its character, value, quantity, composition, merit or safety." Another important section of the Food and Drugs Act pertaining to drugs requires that all drugs sold must meet a standard of composition, purity and potency.

The Food and Drugs Act deals rather briefly with cosmetics. It is forbidden to sell a cosmetic that is harmful when properly used or that is filthy or contains decomposed substances or foreign matter or that was manufactured under unsanitary conditions.

With regard to medical devices, the Food and Drugs Act forbids the sale of devices that might be injurious to the health of the purchaser when properly used. There is the usual section which forbids the selling, packaging, labelling, advertising, etc., of a device in a false, misleading or deceptive manner.

One activity of the Food and Drug Directorate of the Department of National Health and Welfare which may be mentioned here is the establishment of poison control centres and the role which they play in protecting the Canadian public. In 1957, the Food and Drug Directorate established a central bureau which now contains information on the treatment to be prescribed for some 20,000 drugs and household chemicals if they are accidentally ingested or come in contact with any part of the body. This information is transmitted to some 250 poison control centres in hospitals across Canada and is readily available to doctors who need it. The poison control centres report regularly on the numbers and types of poisonings which come to their attention. During 1968, 41,722 such reports were received by the Food and Drug Directorate. Almost 75 per cent of the reports involved children under five years of age. Of the total number of reports, 20.2 per cent involved the ingestion of acetylsalicylic acid, 38.2 per cent involved other drugs; 40.2 per cent were concerned with household products, and 1.5 per cent involved miscellaneous substances.

In order to reduce the number of poisonings of children due to acetylsalicylic acid, the following regulations were inserted into the Food and Drug Regulations in April, 1969:

No person shall sell a drug containing acetylsalicylic acid or any of its salts unless

(a) the inner and outer labels thereon carry a caution or warning to the effect that the drug should always be stored in a safe place out of reach of children;

(b) where the package of the drug contains, in excess of 30 grains (1.944 grams), acetylsalicylic acid or the equivalent quantity of any of its salts, both the inner and outer labels of the package carry a caution or warning to the effect that there is enough drug in the package to seriously harm a child;—

Where a drug containing acetylsalicylic acid or any of its salts is specially formulated or specially recommended for children, no person shall sell a package of such drug to the general public unless

[Mr. Foster.]

(a) the package contains not more than twenty-four single doses of the drug;

(b) each single dose contains not more than one and one-quarter grains (81 mg.) of acetylsalicylic acid or the equivalent quantity of any of its salts; and

(c) the inner and outer labels of the package carry a caution or warning to the effect that the drug should always be kept out of reach of children, and the caution or warning is preceded by a prominently displayed symbol acceptable to the Director and designed to draw the attention of the consumer to the caution or warning.

In addition to the above regulations, the Minister of National Health and Welfare (Mr. Munro), together with other interested Canadian organizations, is currently studying other ways and means of making drugs and other substances less available to children. These studies include the development of a closure which cannot be opened by young children.

Another piece of federal legislation which is primarily intended to protect Canadian consumers is the Hazardous Products Act which was assented to on July 27, 1969. This Act, administered by the Department of Consumer and Corporate Affairs, with officers of the Food and Drug Directorate providing advice on the health aspects of the use of these materials, provides for the complete prohibition of the sale of certain products and the sale, under specified conditions, of other products.

Part I of the Schedule to the Hazardous Products Act, which lists those household products which may not be sold in Canada, includes the following items:

1. Jequirity beans;

2. Furniture and other articles intended for children painted with material containing in excess of 0.50 per cent of lead.

The latter item immediately reminds one of lead paint which at one time was used on children's furniture. Sometimes, after chewing the furniture, children would suffer from lead poisoning. They would come into contact with the lead in the paint or in other covering material, and suffer from an overdose.

Other products which may not be sold in Canada include:

3. Liquid coating materials having a flashpoint of less than 0°F.

4. Any material which has been rejected by the U.S. Federal Trade Commission because of flammability;

5. Sweat shirts and chenille berets that have the burning characteristics of Class 3 textiles;

6. Spectacle frames that are made of cellulose nitrate;

7. Toys made of cellulose nitrate other than ping pong balls;

8. Toys containing carbon tetrachloride, methyl alcohol, petroleum distillates, benzene, turpentine, boric acid or ethyl ether;

9. Toys treated with lead pigments; more than 0.5 per cent lead in the coating; any compound of antimony, arsenic, cadmium, selenium or barium under prescribed conditions; or mercury.

10. Toys emitting excessive noise;

11. Kite strings made of material that is a conductor of electricity.

Certainly, we see at this time of the year that this is a good provision, because children have been flying kites. Sometimes they come too close to hydroelectric wires and the danger of electrocution is always present.

Part II of the Schedule of the Hazardous Products Act refers to those household products which may only be sold if they meet the requirements, including labelling, of the Hazardous Products Regulations. Part II includes:

1. Bleaches, cleansers and sanitizers.

Here may I say that the hon. member for Wellington-Grey-Dufferin-Waterloo (Mr. Howe) has already mentioned the danger of bleaches that are in improper containers. It is necessary to protect children from inadvertently coming into contact with bleaches, some of which contain caustic soda. These materials are harmful to the skin and dangerous when taken internally. Other products include:

2. Corrosive chemicals such as acids and bases;

3. Petroleum distillates;

4. Adhesives, cleaning solvents, thinning agents and certain dyes;

5. Certain polishes and cleaning agents containing carbon tetrachloride, chloroform, etc.

6. Fire extinguishing fluids composed of any halogenated aliphatic hydrocarbons;

7. Certain antifreeze preparations;

8. Turpentine;

9. Methyl alcohol;

10. Pressurized containers;

11. Polishing agents containing hydrocyanic acid;

12. Toys;

13. Dolls and soft toys;

14. Pull and push toys that have soft-lie handles three-eighths of an inch in diameter or less;

15. Toy steam engines;

16. Finger paints;

17. Rattles;

18. Elastics;

19. Batteries.

• (5:30 p.m.)

The hazardous products regulations clearly specify the conditions under which the substances mentioned in part II may be sold. With regard to the labelling of hazardous products, it might be pointed out that both the French and English languages must be used. In addition, reference might be made to sections 7 and 8 of the hazardous products regulations which read as follows:

Information required on principal display panels

7. (1) The principal display panel of each container of a regulated product shall show such of the following graphic matter as is required by these regulations to be shown for that regulated product:

(a) the degree of hazard symbol;

(b) the nature of hazard symbol, superimposed on the appropriate degree of hazard symbol;

(c) the signal word Danger, Warning or Caution; and

(d) a statement of the nature of the primary hazard immediately following the signal word.

(2) All graphic matter required by these regulations to be shown on the principal display panel of a container shall be placed parallel to the base of the container and centred around a vertical line bisecting the area of the principal display panel.

Information required on containers:

8. Each container of a regulated product shall show such of the following graphic matter as is required by these regulations to be shown for that regulated product:

(a) a statement of the nature of the secondary hazard;

(b) statement of precautions; and

(c) the words 'First Aid Treatment' in boldface capitals and, immediately following such words,

(i) the source of the hazard,

(ii) the first aid treatment antidotes, and

(iii) directions for the proper and safe use and storage.

The hazardous products (toys) regulations prescribe the requirements regarding the following potential hazards associated with toys: packaging, electrical, mechanical, thermal and toxicological hazards. These regulations also specify the conditions under which the following toys may be sold: dolls and soft toys, pull and push toys, toy steam engines, finger paints, rattles, elastics and batteries.

Another federal act dealing with a matter referred to in Bill C-39 as the Textile Labelling Act, also administered by the Department of Consumer and Corporate Affairs. With regard to misleading or deceptive advertising of any product, action may presently be taken under section 33(d) of the Combines Investigation Act.

In summary, Bill C-39 proposes that the Food and Drugs Act be extended to include the following: soaps, detergents and cleaners; fabrics and cloth; paints, dyes and tints and mechanical household appliances, in order that these items may not present a health hazard to the user or be presented in a fraudulent manner. An examination of federal legislation would suggest that provision already exists in the following acts, together with the relevant regulations, to control adequately those products referred to in Bill C-39. Specifically, I would refer to the Hazardous Products Act together with the hazardous products (hazardous substances) regulations and the hazardous products (toys) regulations, the Textile Labelling Act and the Combines Investigation Act.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, I do not know whether the hon. member was speaking in support of Bill C-39 when he ended by saying that everything mentioned in this bill was already controlled by other legislation and regulations. From the numbers of letters I have received calling attention to hazardous products which are mentioned in the bill before us, it would appear that the department is doing a very poor job of exercising control if, in fact, legislation to correct such a situation already exists. It seems to me no good reason exists for members on the government side

attempting to talk out a bill introduced by one of their own hon. friends in these circumstances.

It would appear as though the consultation process between manufacturers, wholesalers and retailers has virtually come to an end. If we are really concerned about consumer protection, the least we can do is refer this bill to the Committee on Health, Welfare and Social Affairs to ascertain whether we do in fact have any control over the substances and products mentioned in the bill. It appears to me that the regulations so far issued in connection with detergents and soaps, for example, have not solved the problem. In my view there has not been sufficient consultation between government agencies and manufacturers of the products concerned.

If the intention is to continue importing the vast quantity of toys and other products we are importing now, then the quality of those imports should be strictly supervised. The controls already in existence are sadly lacking. The only conclusion is that the legislation needs revising so that the protection about which we have been talking this afternoon can be provided in a meaningful way as the sponsor of the bill before us intended it should be.

If we continue to import toys and products such as are mentioned in the bill, we should never relax our concern for the safety of consumers in this country. It is not good enough to recite a list of the legislation already in existence, when each of us in the House of Commoms realizes that the situation is not in fact under control. This is an argument for extending recognition to a bill which would bring the necessary control provisions under the food and drugs legislation.

I urge hon. members not to talk out this bill but to give it due consideration, realizing that Canadian consumers are entitled to protection and that we are the only people who can refer a bill of this kind to a committee where it can receive proper attention and where recommendations as to the necessary revision of present legislation can originate. I, for one, support this bill and urge the House to let it go to the committee at least. If similar legislation is already in effect, perhaps it would be a good thing to hear from those who are supposed to enforce it, and shake them up a little. They must become more concerned, because the consumers themselves are concerned about this issue and it is up to us to protect the public.

[*Translation*]

Mr. Guy LeBlanc (Rimouski): Mr. Speaker, I am pleased to state my views on the motion proposing that Bill C-39 be read the second time and referred to the Standing committee on Health, Welfare and Social Affairs.

The purpose of this bill is very important, for it aims at protecting consumers against the potential hazards of certain products and devices on the market.

Here is an excerpt of the bill in question:

> At present the Food and Drugs Act protects consumers by making it an offence punishable by fine and prison to sell hazardous substances and to use fraudulent advertising and sales promotion with respect to foods, drugs, cosmetics and devices. This bill would extend that protection to include these additional consumer products:
>
> (*a*) Soaps, detergents, and cleaners.
>
> (*b*) Fabrics and cloth.
>
> (*c*) Paints, dyes and tints.
>
> (*d*) Mechanical household appliances.

Let me give an example showing the importance of protecting people from some hazardous products.

One lady came to see me recently and expressed her opinion on some bills that were being considered by the Committee on Health, Welfare and Social Affairs. She insisted on the importance of passing legislation to provide that the chemical formula of detergents be indicated on the containers. She told me that her four-year-old daughter had drunk detergent from the container. The mother had been very much worried, of course, not knowing what to do to help her daughter. There were no indications on the container; she did not know what toxic substances were contained in the detergent, and she had much difficulty in reaching a doctor, and finding a hospital that was equipped to handle such cases.

• (5:40 p.m.)

Had the ingredients of this detergent been listed on the container, with an indication of the proper antidote, perhaps she might have had less reason to worry and could have given her children the proper care much sooner.

I wish to congratulate the mover of this proposal for having once again emphasized this problem and for having introduced a bill which in my opinion is primarily designed to provide the general public with adequate information on such an important matter. However, it does not seem to me that this bill would add very much to the existing law.

Until now, a good number of measures have been taken in this field by the government, its agencies and the provinces. The cabinet or the Governor in Council can very easily correct this legislation by bringing in the necessary amendments, which would be very simple.

We are all aware that the present era of scientific developments has rendered great services to the consumer in putting at his disposal all kinds of products, the use of which may favourably influence his health, and his welfare in general. This is the good aspect of scientific and technological development in our age.

However, as it is often said, there are two sides to every issue. This constant evolution, this progress does not go without some danger. The products now at our disposal, drugs, cosmetics, domestic products, tools, medical equipment or any other devices, all these things in general result from scientific principles which brought about the use of more active products and improved, more powerful and efficient devices. It is unavoidable that the increased use of these products and devices should involve for the user a certain danger. He has to

take the necessary precautions to eliminate the dangerous effects of uncontrolled use.

• (5:50 p.m.)

Until now, this seems to corroborate the view expressed in my first remarks, namely that it is always advisable to recall to consumers as best we can can the hazards of certain products.

Publicity in particular shows another inconvenience. In fact, in his endeavour to increase sales as much as possible, the advertiser can be carried away by his enthusiasm, magnify the products' value and even attribute to it proprieties it has not and thus promote it in a way which, consciously or not may be considered misleading or fraudulent.

However, because of this double possibility it behooves the authorities to protect the public against health hazards and fraud by controlling under adequate laws standards governing contents manufacture, labelling and advertisement of these products. Obviously, such measures cannot suppress all possibilities of more or less serious accidents, as can be deduced from annual statistics. I believe that besides passing laws the government must also help inform the public on measures to be taken both to prevent accidents and to correct their effects.

I believe that so far the government has carried out its responsibilities in this field, not only to protect the public through legislative measures but also to inform the people on the dangers of poisonings and on the aid to be given when they occur. For instance, we can recall that the Department of National Health and Welfare, in co-operation with the provincial health departments, established poison control centres a few years ago. It is said that there are about 250 of these in Canada and around 1957 the Food and Drug Directorate established a central information bureau for poison control. This bureau collects information to be used in the fight against accidents by poisoning.

We know that the government has taken a great number of measures in order to counteract the dangers created by the use and abuse of drugs.

There are some facts which are interesting to recall. For instance, the statistics for the year 1968 showed that nearly 75 per cent of the reports received from control centres concerned children under five years of age and out of a total of 41,700 cases of poisoning, 20.2 per cent had been due to headache tablets, 38.1 per cent to other drugs; 40.2 per cent to domestic products other than drugs; and 1.5 per cent to products of an unspecified nature.

In view of the high percentage of accidents caused by headache tablets, namely those containing acetylsalicylic acid, the government took special steps to protect the public, and particularly children, with regard to the use of such drugs, either by indicating the contents with special symbols, or by advising the users about special precautions.

Obviously, as the member for Wellington-Grey-Dufferin-Waterloo (Mr. Howe) said a while ago, a child of five cannot understand what is written on the container, or read the warning on appliances. But we know that the parents, and more particularly the mother, watch the child. The mother is more than anyone else interested in reading what it written on containers or equipment. She is the one we can bank on to take precautions and keep the children away from danger.

We know the government took adequate steps to protect the public against drugs.

Recently, a letter containing commercial information was sent to pharmacists, asking them to use containers and locking devices in accordance with applicable standards when they are selling drugs prescribed by doctors.

Some of the provisions I have just mentioned apply only to drugs but they can show the way for effective control of various products to protect the public against health hazards by making them aware of deceptive information.

As I was saying, the bill introduced by the hon. member for Notre-Dame-de-Grâce (Mr. Allmand), does not seem to provide any further protection since all the devices covered by the bill are already adequately covered by the Hazardous Products Act.

It seems to me also that the household products and appliances covered in the bill are not food, drugs, cosmetics, medical devices, and that consequently, they should probably not come under the Food and Drugs Act.

It is obvious that there was a serious gap as far as the protection of the public against those products is concerned, but I think that it has been filled by the passage of the Hazardous Products Act in 1969. We know that it is administered by the Department of Consumer and Corporate Affairs. Since the carrying out of various measures comes either under the Department of National Health and Welfare or the Department of Consumer and Corporate Affairs, this can give rise to complications at the public level. However, there seems to be very good co-operation, the Department of National Health and Welfare acting as scientific adviser to the Department of Consumer and Corporate Affairs.

I could also refer to Part I and Part II of the Hazardous Products Act. For example, the products referred to in Part II of the Annex can be sold to the public, provided that they are labelled in French and in English, in accordance with the regulations, so that all Canadians may understand.

[*English*]

Mr. Deputy Speaker: Order, please. The hour appointed for the consideration of private members' business having expired, I do now leave the chair to resume the same at eight o'clock.

At six o'clock the House took recess.

Prairie Grain Advance Payments Act

AFTER RECESS

The House resumed at 8 p.m.

GOVERNMENT ORDERS

PRAIRIE GRAIN ADVANCE PAYMENTS ACT

AMENDMENTS RESPECTING RATE PER BUSHEL, EMERGENCY PAYMENTS, EXTENSION OF APPLICATION TO RYE, FLAXSEED AND RAPESEED

The House resumed consideration of the motion of Mr. Lang that Bill C-239, to amend the Prairie Grain Advance Payments Act, be read the second time and referred to the Standing Committee on Agriculture.

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, when we adjourned this debate at five o'clock I had covered several areas of the legislation in order to remind the House, first that we do not object to the principle and, second, that I do not believe any of us would object to the idea that legislation should take into account contingencies such as snowed-under crops, and so on. I do not believe this legislation would be objectionable to anyone in this country, particularly since it would place farmers in a position where they would not have to come forward hat in hand asking for help, any more than the person who finding himself unemployed should have to appeal to government or anybody else for temporary assistance. I believe this type of assistance is an acceptable way of life in Canada.

What we find objectionable to some extent is the situation which might occur when a farmer is in error in estimating the type of crop he will have. A farmer may believe he will have a crop and on that basis he may take an advance. In all conscience he believes he will have a return on his crop and therefore applies for the advance, yet there are provisions which require him to pay a penalty from the day he applies for the advance.

• (8:10 p.m.)

Second, the farmer may have overestimated. In an area like mine, for example, it is not very easy to overestimate, but there are areas of southern Saskatchewan and southern Manitoba where floods occur in the spring and the whole crop may be lost. There should be provision to cover that type of situation. Farmers have to rely on the good will of the people to whom they apply, namely, the Wheat Board, who appeal to the minister and if the minister feels he should be generous then that is the order of the day. I think this should be a provision of the bill in cases where special conditions warrant it.

After all, we must accept the possibility of an emergency arising which means a crop is not harvested. To except people who have suffered loss to repay the advance when obviously the crop loss was not their fault, and they have to make a special appeal to the minister, is wrong in my opinion. I think we should go a little further and consider the fact that farmers might not be able to harvest their crops as a result of flooding in the spring. This type of hazard generally does not occur in my area, which is a rolling area, but I do know that it happens occasionally in southern Manitoba, southern Saskatchewan and southern Alberta. It happens only once in 10, 12 or 15 years, but we should take it into account.

There are other aspects of this bill which puzzle me. First, the simple 6 per cent interest for those in default used to apply. This is no longer to be the case. Farmers are at the mercy of the cabinet, by Order in Council, and we do not know what rate of interest will be applicable. I do not think this is acceptable. I think there should be a fixed rate. The fact that the cabinet may vary the interest rate means that it has absolute control over the individual. Surely we are not yet in this position in our country.

Let us consider the expression "the Governor in Council may authorize". We find this expression objectionable. I would like to see ground rules set down and lived by. I do not want to see Governor in Council authorizations just because a Prime Minister happens to be annoyed one day, because the minister in charge happens to have a bad day with his wife or anyone else, or because a member of the opposition annoys the minister that day and he decides to zero in and fix the guy. This is the kind of provision to which Canadians in general should object. I object to it not only in this legislation but in any other piece of legislation.

Let us set down ground rules. Let us not leave it to regulations or to the Governor in Council. We have a Constitution and we want to abide by it. We want to know what the rules are. We do not want to be at the mercy of a few men who may be powerful but who are very weak in many ways. I think that this is a fair request to make of the cabinet. I do not think that any minister would want the responsibility of raising the interest rate all of a sudden, following which accusations would be made against him. We can figure out averages over the long term. Let us not equivocate. We can set down these rates. The civil service is loaded with economists. They can figure out a fair average which we can accept. We do not want to be at the mercy of a few men who may have a feud.

The bill provides for cash advances on crops. It seems to me the minister is simply using this bill in order to pass other legislation. When he says that farmers may take cash advances on rapeseed, rye and flax, all he wants to do is make other legislation more acceptable, such as the measure covering rye, flax and rapeseed under the Wheat Board Act, so that he may eventually put forward another bill—that is, the stabilization bill about which he is really concerned—because he will then have an absolute count of the number of bushels produced and sold on which farmers will pay 2 per cent. That is all the minister is interested in.

As a result of this situation we find that one bill is contingent upon another. At present all these bills are lumped together. If one fails, the others will not work. The minister shrugs his shoulders. I say to him that once farmers take cash advances on rapeseed, they are obviously committed to the Wheat Board. How does the government collect the money from the farmers? We are

not dealing here with one bill; there are about three or four bills tied together. He might just as well have thrown them all in together. This is typical of the government. It reminds me of former Prime Minister Pearson who once asked, "Do you eat a half-rotten egg?" On this occasion we have to eat the whole egg even if half of it is rotten.

• (8:20 p.m.)

Despite many pleas made by other hon. members, no provision is made in this bill for the retired man who may want a cash advance and who has to rely on the mercy of the Wheat Board to obtain a special permit. The owner of the land may be in another country. How does he obtain the signature of the owner? The minister has not dealt with that kind of problem. He has not made an in-depth study of all the requirements. It might be easy enough in such a case to deal with it on the basis of fractions, one-half, three-quarters or five-eighths, making that amount available to the actual producer and having repayment on that basis. I think the department should look at this kind of problem. Older, retired people are often faced with this need. On occasion they tell me, "We have to wait for a special permit until we have made delivery." If it is fair enough for an active producer to take an advance, why is it not fair enough for the individual who has retired? His need may be just as great or greater. He may have just retired and his requirements may be more urgent. I have spoken about this problem previously and I do not know why the minister and the department shrug it off as though it were inconsequential.

A man may be a farmer for 30, 40 or 50 years. As long as he is a farmer we say fine, we will legislate for him. But the minute he quits farming is his need any less? He may have an accumulation of grain. How, then, does he dispose of it? He may have to dispose of it, as I say, in fractions. Why can he not take an advance on that basis? I think the minister should examine this matter more thoroughly.

I shall not speak any more at this stage, Mr. Speaker, except to say that this is a piece of legislation which the minister will have one of his easiest times piloting through the House.

Mr. John Burton (Regina East): Mr. Speaker, as the minister noted in his remarks when introducing this bill, some aspects of the legislation do restore the situation to its position prior to some of the amendments which were introduced by the government and adopted by the House in 1968 and 1969. Obviously, some of the changes made at that time did not work; they created more problems than they solved.

I recall that when hon. members on this side of the House repeatedly asked the government what it was going to do about farm problems, the continual answer we received from the government was one of falling back on a reference to the cash advances legislation. I suggest this was like a drowning man grasping at a straw. We said that this was no answer to the basic problems of agriculture. We approved of some of the changes and agreed they were useful, but I suggest other changes created real problems and the government now is in the process of correcting the situation.

I noted implications in the minister's remarks which left the impression that the minister and the government consider that cash advances are declining in usefulness and that they anticipate they will not be used as much in the future. In some respects this suggests a reduced priority in the government's thinking on this matter. This, of course, could have some validity if there are new programs which assume greater importance than this one or which supersede or add to existing programs. But I suggest that no matter what programs are introduced, there is still an important role for cash advances to play in the over-all grain marketing situation and they must be retained.

It is essential that cash advances be retained as a permanent feature of our marketing structure; but on the basis of his remarks this afternoon it seems to me that the minister almost hoped for a reduced use of the cash advances system. Of course, he has some basis for this hope in that on a number of occasions he has drawn attention to anticipated changes in the pattern of deliveries of grain throughout the crop year. The minister now anticipates that there will not be as heavy a movement of grain into storage near the end of the crop year, which now can mean some slowing up on deliveries in the early part of the new year and thus a greater use of cash advances at that time.

I would be happy to be corrected if I am wrong, but it seems to me the implications of his remarks were that he is looking to some point in the future when we will see an end to cash advances. I hope this is not so because, Mr. Speaker, I suggest cash advances involve some degree of acceptance of national responsibility for the grain marketing situation, a situation which in fact has national implications. It affects all of the Canadian economy. It has implications and consequences for the entire economy. In fact it is a recognition that some conditions are beyond the farmer's control and for which he should not be expected to bear the entire burden.

I also suggest that the cash advances system makes possible a greater degree of flexibility in the marketing system because it does not produce the same pressure on farmers to deliver their grain to the elevator as soon as there is a bushel of space available. It also means that the government and the Canadian Wheat Board can introduce measures which can assist in the movement of grain further down the marketing chain. At the same time, I think all of us will recognize that the cash advances system must be adjusted to keep up with changes in the marketing situation, to take advantage of new proposals, new ideas, and also to take account of new problems.

• (8:30 p.m.)

I note the changes in the act proposed by this bill. For instance, I note that the fixed advance price as set out in the act is being changed to a more flexible formula type of price, giving some discretionary powers to the Gover-

nor in Council. This is certainly suitable in many respects and the formula which suggests that the cash advance price should be related to an approximate two-thirds of the anticipated final price has some merit. I hope that this new mechanism as used and also the safety valve contained in it, whereby there is an escape clause in the event that the amount of the advance that could otherwise be recovered is less than the farmer would be able to receive, and relating this to the repayment schedule I hope it does not mean that the Wheat Board is anticipating further reductions in grain prices.

This afternoon the minister drew our attention to the removal of the bias favouring wheat. This is acceptable, as is the proposal to place permanently in the legislation help for drying damp and tough wheat and the possible provision of advances for unthreshed grain when circumstances warrant it. The changes proposed with respect to repayment provisions on cash advances are also useful.

The minister correctly noted a decline in confidence regarding the cash advances system. I think this arose out of the very difficult marketing situation which prevailed in recent years and the feeling of hopelessness among many farmers that the existing system would enable them to repay their cash advance in the foreseeable future.

I also noted the minister's remarks concerning the plan to charge interest on defaults in payments and on repayments which are made in cash rather than deliveries of grain. I acknowledge that some problems have arisen in this regard and agree that action is warranted to deal with them. But other problems could be created as a result of the action proposed by the minister, some of which may not be fully recognized at this time. I urge the minister to keep an open mind on the problems that may arise. There should be some flexibility to take into account unforeseen problems.

I appreciate the minister's response to my question earlier today regarding the problem of farmers who may grow registered seed and who, for a variety of reasons, may be unable to sell it as such and in the end have to sell it as commercial grain. They do not know what the outcome will be at the time they harvest the crop and put it into storage. I think this is a situation where a farmer quite honestly may be in a position where he needs cash. Certainly he can honestly say that he may deliver that grain as commercial grain rather than as some form of registered or certified seed. I raise this problem simply by way of example of the situation that can arise. No doubt there are other problems encountered when attempting to introduce the restrictions which the minister has proposed.

I have noted a number of areas in this bill with which I am in basic sympathy and agreement. My real quarrel is with the proposal to remove all references to the unit quota. I acknowledge that there have been problems with respect to the administration of the unit quota. When originally introduced, its purpose was to help the small farmer. I would agree to its removal if there were something acceptable to replace it. The unit quota did help the small farmer and I think the minister recognizes this.

Most of them live in the more productive grain producing areas of the Prairies and many also have a smaller acreage of summerfallow than the average. Operation Lift really hurt these small farmers who had little room for flexibility. The large farmers with 1½ or two sections or more had room for flexibility when planning production for 1970 to take into account the proposals contained in Operation Lift. The small farmer did not.

The minister is well aware of some of these problems. He will no doubt recall a letter which I drew to his attention, received from a constituent of mine. It was addressed to the minister and a copy was sent to me. This farmer pointed out that he had a half section of land and had cut down his wheat acreage in 1970 to 50 or 60 acres, and he had some summerfallow as well. Under the quota system he was only able to make a very small amount of deliveries. He pointed out that under the quota plan it would take something like three years to deliver all the grain he had produced because he had a bumper crop. The minister was good enough to send me a copy of his reply to the farmer, in which he seemed to deny the suggestion that the government's program had harmed the small farmer at all. I argue with that contention.

Mr. Lang: Mr. Speaker, would the hon. member permit a question?

Mr. Burton: Yes, certainly.

Mr. Lang: I wonder if the hon. member appreciates that those farmers without surpluses who took the advice of the program last year and grew barley and rapeseed because of the discouragement of wheat, are in fact better off than they would have been under any other circumstances.

Mr. Horner: Did you encourage barley production last year?

Mr. Lang: For those without surpluses, yes.

Mr. Horner: When?

The Acting Speaker (Mr. Richard): Order, please. The hon. member for Regina East (Mr. Burton) has the floor.

Mr. Burton: This farmer grew something like 50 or 60 acres of wheat out of 320 acres of land. If that is not sufficient response to what the government did, then I don't know what the minister expects. If he expects this farmer to live on nothing at all, he is mistaken. At the same time the minister urged farmers not to increase their acreage of other crops. Operation Lift seriously hurt the small farmer.

Mr. Horner: Hear, hear!

Mr. Burton: By his interjection this evening, the minister has again demonstrated that he fails to understand the serious problems faced by small farmers in the Prairie provinces and the serious situation in which government policies have placed them. They simply cannot sell

their production. There are many examples of the same sort of thing in the Prairie provinces. Just who is the small farmer?

Mr. Horner: The backbone of the nation.

Mr. Burton: Often he is an older man who still has some years left of his working life. Farming is the skill that he possesses, it is his life, he likes it and wants to continue in it for the remainder of his working life. Many of these farmers have a very useful contribution to make to the economy and to society. Some of them know that for one reason or another they will not have a son to carry on, but nevertheless this is the life they want and they can make a useful contribution to society by continuing to farm with a reasonable degree of assistance.

• (8:40 p.m.)

I received a letter today from a small farmer north of Regina who points out some of the problems he faces. He points out that he has written to Premier Thatcher, a good friend of the Minister of Manpower and Immigration (Mr. Lang). I am sure the minister knows him very well and I expect he will go along with these remarks since they are political colleagues and get along very well together. This farmer wrote to Premier Thatcher and asked, "What shall I do? I simply cannot make a decent or adequate living under present circumstances and policies." Premier Thatcher replied, "Diversify." The farmer said, "I am 58 years old. I have had a heart condition for the past year. I cannot go into livestock at this stage of life. I should like to carry on my farming operation for the remainder of my working life." That reply is the type of nonsense we are hearing in response to some of the difficulties which are brought to the attention of public officials.

We want to know what the minister intends to do about the problems of small farmers. It has been pointed out that there are to be adjustment programs. That is good and fine. If we can implement some adjustment programs, they will help. There may be farmers on small or uneconomic farms who want to retire. If that is their wish, help ought to be provided to enable them realize their wish. Some of them may want to continue their farming operations, and they can make good, useful contributions to our society. I suggest that we must be humane as well as making good economic sense or making dollars and cents sense, or nonsense in some cases.

I want to hear what the minister will do to replace this feature of grain marketing policy. Is he going to do something by way of income policy, price policy or production policies that will be of help to the small farmer, the man who faces a special set of problems? The minister ought to be well acquainted with these problems and he should show a greater degree of responsiveness than he has up to the present with respect to the problems faced by these people.

The feature of the legislation having to do with the elimination of the unit quota, in the absence of any acceptable or suitable alternative mars and scars an otherwise acceptable and useful overhaul of the act. I again remind the minister that we want to hear from him. What is his course of action? In which direction is he moving? Is he in the process of phasing-out the cash advances system, or is it still considered an integral and essential feature of marketing policy? Mr. Speaker, you can kill legislation by squeezing it out as well as by repealing it. I urge the minister not to underrate the importance of cash advances in the grain marketing system, because they are an essential component of that system.

The Liberal party, of course, historically has displayed a lack of understanding of the value of cash advances. I recall that years ago—I wonder if the minister recalls this—the then Liberal government resisted all attempts to introduce cash advances. It was not until they were turned out of office that cash advances legislation was introduced. Of course, the Liberal government has been riding along on the coat-tails of that legislation for some years since. We now wonder what is its future. Does the government plan to continue it on a long-term basis? Will it continue to be a permanent feature of grain marketing policy?

That pretty well sums up the comments that I wanted to make on this bill. I am looking forward to the minister's response to the proposals and problems which I have raised. I hope he will acknowledge that we have pointed to a number of features of the bill which are acceptable and useful. The minister is rather hard put sometimes to get his point across in western Canada. I ought to know, because today an interesting copy of the *Hi-Way 15 Gazette* dated April 29 came across my desk. That is a newspaper published in Semans, Saskatchewan.

Mr. Lang: It is an annual.

Mr. Burton: It is a weekly newspaper. That remark shows how much the minister is out of touch. I usually write a column in this weekly newspaper because it covers part of my constituency. Occasionally the minister horns in as well. Sometimes he sends out a little column which is printed in some weekly newspapers in Saskatchewan and, probably, in those beyond the Saskatchewan border.

Mr. Benjamin: It is a column which he does not write.

Mr. Burton: I looked at the column headed, "Ottawa Report" in the copy of the *Hi-Way 15 Gazette* which came across my desk this afternoon. I like to look at my column and check it, and I was amazed to see, "Ottawa Report, by John Burton, MP, Regina East Constituency". It began as follows:

> I have now introduced into the House of Commons a bill to amend the cash advance legislation. This is one more step in the total overhaul of grains legislation and policy—

Mr. Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order. May I ask the hon. member if he had the consent of the Governor General to do this?

Mr. Burton: Mr. Speaker, I was very much concerned about the matter because I have been tutored on proce-

dure by the hon. member for Winnipeg North Centre (Mr. Knowles).

An hon. Member: You're heading for trouble.

Mr. Burton: I quickly ascertained that this column had been submitted by the Minister of Manpower and Immigration, the minister in charge of the Canadian Wheat Board. He went on to say what the legislation contained. That was a fair enough article describing the legislation. I sometimes wonder what the minister is up to. Is he so hard put to get people to read his columns, or the material that he puts out, that he must try to steal somebody else's byline?

I must take it as a compliment that the minister chose to use my byline in attempting to put before the readers of the *Hi-Way 15 Gazette* his views about the cash advances legislation. I can understand the minister's position because many people in the west have been caught and now they do not have much faith in the minister's views. I do not object, so long as the minister does not do it too often. I take it as a compliment that the minister used my name in order to obtain greater reader coverage for his column.

Some hon. Members: Oh, oh!

Mr. Burton: As I have said, we feel there are some useful proposals in this legislation. We are very concerned about the implications concerning the unit quota and the future of the small farmer. I am also concerned about the future of the legislation and hope to hear the minister on these matters.

Mr. Jack Murta (Lisgar): Mr. Speaker, in rising to speak on the amendments to the Prairie Grain Advance Payments Act I would like at the outset to say that I am in general agreement with the changes proposed. Because of the drastic lack of action over the past few years, changes such as the ones proposed, coupled with the advance notice of the minimum quota levels for wheat, oats and barley are, I believe, generally positive steps.

The extending of the cash advance payments from June 1 or, as the bill describes "at such later date in the crop year as may be prescribed" is welcomed by most producers because it will enable them to become more flexible in using the cash advances allotted to them. This, coupled with the repayment schedule, will keep farm cash advances down to a minimum and, hopefully, we will not see situations such as those we saw this year in which, although the grain was moving, there was not any great amount of money going back to the producers. A good deal of the grain that was sold was taken up in paying off the previous cash advances and very little money found its way into the hands of grain producers.

The solution, of course, is to have a much better record of selling grain than we have had previously. Farmers, through no fault of their own, had to borrow money on the grain only to find that because of poor sales they had no chance of paying it back. The value of the cash advance program to prairie grain producers during years when they are unable to make deliveries cannot be doubted. However, the cash advance program should be designed to cope with periodic or cyclical surpluses, and not for perennial overproduction caused by low marketing of grain. The program should not be used to insulate farmers from the realities of the marketplace or to encourage a chronic surplus of unmarketable grain, nor should it be employed to offset the harmful effects of other marketing policies or programs.

• (8:50 p.m.)

One thing which struck me while I was reading the legislation was the phrase "Governor in Council". This term is becoming increasingly more prominent in legislation introduced by the government. The changes in this act bring the jurisdiction of the Wheat Board more closely under the control of the minister or the government. This is in direct contrast to the desires of the people who are affected by it, mainly prairie grain producers.

There is a general feeling, and rightly so, that had the Wheat Board been more accountable to producers, it would have done a much better and more aggressive job of selling our grain products. As things stand, decisions are left to the minister responsible for the Wheat Board; it is he who has power to make decisions. We saw an example of this a week ago when the minister decided to introduce enabling legislation bringing flax, rye and rapeseed under the control of the Wheat Board. This, I suggest, is in direct conflict with the wishes of the producers and the marketing groups involved. We shall have more to say on this subject when we come to the proposed amendments to the Wheat Board Act.

Getting back to the bill, I would like the minister to give a more complete explanation for the advance payment rate of 66⅔ per cent. Why and how was this rate decided on? The chief feature of the bill is that the per bushel rate of payment is to be on the same basis as the per bushel rate of advance. This, as has been mentioned before, is commendable because producers must not be caught in the same predicament as they were in past years. The emergency advance payments for drying grain, the advance for unthreshed grain and all the other amendments to the legislation are of no consequence if we do not intend to adopt a positive marketing approach. That is really the critical point.

The key note which should persist throughout all agricultural recommendations is that the government should intelligently assist in achieving an orderly and planned transition which would encourage agriculture to adjust and achieve the largest possible gains at the lowest possible tangible and intangible costs. I believe the government should reduce its direct involvement in agriculture, thus encouraging farmers, farm organizations and agribusiness to improve their management and leadership functions and be more self-sufficient.

The organizational structure of agriculture both in government and in the private sector should be rationalized. Canadian grain marketing bodies need to look into trade promotion and trade development. Support and encouragement must be given to joint endeavours by farm groups, by federal and provincial governments, by trade

associations and private business. In association with this, export credit and export insurance must be made more readily available to other countries. I say this to reinforce my point that all our deliberations are to no avail unless these steps are also adopted.

We must try also to place greater emphasis on continuity of the supply for export markets. If a contract is signed with a foreign country, we must be able to guarantee delivery of the product on the date and in the amounts specified. To do this requires the revamping of existing facilities at our ports. If we are to compete in the export markets, continuity of supply is vital. Market research must also be greatly expanded. The research that is needed, should be designed to reveal the size of the markets, the quality of the products demanded, how the markets are changing, and market strategies for Canadians.

I firmly believe the primary and continuing role of any government should be to produce a desirable economic and social climate for people in agribusiness. I say this in talking on the amendments to the Prairie Grain Advance Payments Act because I have grave doubts whether this is the direction in which we are moving. It is my opinion that as we move into the seventies this must be our primary goal and objective. This role should not include managing agriculture any more than it is the role of government to manage the steel industry or the pulp and paper industry. Because agriculture is peculiar in many respects, social as well as economic aspects of all policies must be kept in mind. Governments must always be aware that they are dealing with human beings and not abstract problems.

To sum up, Mr. Speaker, I would say that the amendments proposed in this legislation do lend a greater degree of flexibility to the act, but they will work only if they are coupled with a much more aggressive marketing approach.

Mr. Rod Thomson (Battleford-Kindersley): Mr. Speaker, we on this side of the House have experienced some frustration lately because there have been no agricultural bills before us to give us an excuse to scold the minister. We do not want the minister to think he is doing a good job, or anything like that, because obviously this is not the case. Many farmers tell me that things are not good and that it is time the government did something.

Mr. Knowles (Winnipeg North Centre): The farmers are always right.

Mr. Thomson: It seems to me that Liberal politicians do not always listen to what farmers have to say. I do not know whether this is because they are not farmers themselves or because they have never suffered hurt. Those who have suffered hurt or put up with a little hardship have a better understanding or what it is to go hungry.

• (9:00 p.m.)

Cash advances have helped farmers solve some of their problems. In addition, they have helped the economy of western Canada as much as they have helped the farmers, because farmers have no money over by the time they have paid their bills. Most rural municipalities have a good collection record as far as repayment of cash advances is concerned. To give credit where credit is due, this program has served a useful purpose in keeping municipalities, school units and the like viable.

Cash advances were first introduced because there was a need. I suggest that if our economy had been kept in gear and we had maintained our wheat sales as we should, and some of the changes required in the farming scene had been made a little sooner with proper leadership from the government, there would not have been so great a problem as later developed. The real reason for introducing cash advances was that we were not selling sufficient grain.

Now we have the situation where farmers who took the full advance last year are delivering grain, and with the low price of wheat and other grains at the moment they find they have very little money to last them the winter, and this leaves them a little disgusted. I have checked into the situation to see how things are in my part of the country, and businessmen tell me that although things are better and there is a more optimistic mood on the part of farmers and businessmen, actually there is no great flow of money.

The prime reason for this lack of money is that much of what the farmers receive from their grain sales goes to re-pay their cash advances. In addition, expenses are at a high level. The hon. member for Lisgar (Mr. Murta) suggested that we needed a more positive sales approach, and I agree. But in addition to a more positive sales approach we need some understanding of the cost factors in this country. It is not enough just to sell grain. You have to sell grain at a reasonable price. Not only that, but we need to control prices of goods so that incomes are kept steady. If we cannot do this, we will have to look around for additional sources of income.

There will be a number of agricultural bills before the House in the next few weeks and I shall have many more comments to make about the position of our farmers. I have no desire to make them all at the moment. I favour the changes proposed in this bill; for the most part I think they are helpful and needed and will make the legislation more effective.

I want to make one further comment about elevator agents who have frequently been asked to make cash advances. For the most part they are good, solid citizens who know their people. The record of collection of cash advances has been relatively good in the past, and we hope it will continue to be so. If it is not, I suspect it will be because the problems in this country have become so acute that the farmers have no alternative but to renege on some of their economic commitments and find themselves looking for some way of evading obligations that have become too onerous for them to meet. Having said that, I close by saying I favour the cash advance amendments and I wish the minister well in their administration.

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, I rise only to add a few remarks that I was hoping the

minister would make earlier today since it is not too often that this particular law of the land, namely, the Prairie Grain Advance Payments Act, comes before Parliament. We should refresh our memories and remind the public, particularly in eastern Canada—and those who roost in yon gallery should be able to do a better job than they have in previous years—that cash advances are not taxpayers' money. Very often people in central Canada and in the extreme east and west of the country have had the impression that these payments were some kind of gift to the grain growers in the three prairie provinces.

I suppose this could have been called the original grain stabilization income plan. It was a measure that advanced a farmer's wages to him at the time he most needed them, namely, long after he had earned them. He had to repay them as and when he delivered grain. That was one of the reasons this act was passed. The second reason for this legislation was the complete failure of the old line parties and governments, and the transportation system over which ultimately they had control, to do a proper job of allowing the grain producers to deliver their products and to receive the income to which they were justifiably entitled.

Cash advances were interest-free and varied in amount—I am only guessing, and the minister will correct me if I am wrong—from $4 million to $15 million a year, if I can make a wild guess. However, the cost was justified simply because one particular segment of our society was unable to receive the income it should have received. As my colleague from Battleford-Kindersley (Mr. Thomson) has said, the advances that were made cost the taxpayers nothing in relative terms. I suspect less than one-hundredth of one per cent of cash advances since 1957 ever went bad; they were repaid promptly on time.

If the plans of the minister, both present and future, in connection with quotas and deliveries work, this means there will be less need for cash advances, certainly compared with the late 1950s and early 1960s, a period when we were the victims of the same sort of government as this. Nevertheless, if the minister's proposals work, there will be less demand and need for cash advances. Certainly, if he meets his delivery objective as a result of the proposed quota system, there will be less use made of cash advances.

Therefore, it is only logical that the minister should bring in amending legislation of the sort we now have before the House, and one cannot quarrel with that. One might be able to quarrel after waiting a year to see how his proposals work out, and we might have more fun in one year's time than we are having tonight. Having said that, I am afraid I must now get a little mean and impute motives to the minister and his government.

Mr. Rose: You cannot do that!

Mr. Benjamin: I have to; I have no alternative. There is a very crucial additional reason for bringing in this legislation, especially in view of the kind of government we have and the kind of minister who is in charge of the Wheat Board. The task force on agriculture has stated that direct intervention by the government in agriculture must be resisted, indeed eliminated. This particular change, one of many we are being asked to approve, will save the government money. When you deliver grain and repay your cash advances 100 per cent as you deliver, instead of 50 per cent, the interest charges that the government had been paying before will be substantially reduced. This measure will allow the government to implement what the task force on agriculture has been advocating and what I believe now to be government policy. That results in a further erosion of rural Canada and the loss of tens of thousands of people to those areas.

• (9:10 p.m.)

I am afraid I must be mean and say this is the reason behind it, because the minister could not possibly know, however confident he might be about his proposals on quotas and deliveries, whether this legislation will work or how successful it will be. This amendment to the Prairie Grain Advance Payments Act will save several millions of dollars in interest charges which the government would have to pay.

The minister has been advising farmers, as did his predecessors, and my colleague the hon. member for Regina East (Mr. Burton) listed some of the results of this advice. I can only say that a number of the farmers in my constituency deliberately choose to do exactly the opposite of what the minister advises. I understood the advice of the minister several months ago to be that farmers should not get excited or carried away and sow too much flax, mustard, rapeseed or Durum. I phoned a grain farmer in my constituency who raises other things besides grain, including a bunch of kids, the morning following the minister's statement and asked him what he thought of the minister's advice. He said he went out that morning and put in another 40 acres of Durum. In effect, he did exactly the opposite of what the minister suggested. I might add that he is not doing too badly in respect of Durum deliveries this year, Mr. Speaker.

Mr. Lang: Oh, come on!

Mr. Benjamin: He did exactly the opposite. The minister and his government should realize that their credibility is in such a bad state, and has been for many years, that it is now the practice of practical farmers to either do half as much as he suggests, or exactly the opposite. Farmers who follow that course are more often right than they are wrong.

My colleague, the hon. member for Regina East, mentioned the confusion of the editor of the *Hi-Way 15 Gazette*. If the farmers are confused about the minister's advice, you can imagine the state of confusion in which the editors of weekly newspapers find themselves. The minister contributes a weekly column to newspapers in my riding and in the riding of the hon. member for Regina East. As that hon. member has suggested, he is butting in. That is not the only area where he butts in. He writes to newspapers in my constituency urging that post offices be closed down. I do not mind the minister attempting to be helpful, but this sort of thing is a little ridiculous.

Let me refer to another problem. The hon. member for Saskatoon-Biggar (Mr. Gleave) would like to have a desk in the minister's office in his riding. The minister's office is in the riding of that hon. member. Private members cannot expect to get that sort of privilege but they can get an increase in wages.

Mr. Knowles (Winnipeg North Centre): Order.

Mr. Benjamin: I am sure the hon. member for Saskatoon-Biggar would appreciate some aid, assistance and comfort of this type. Perhaps he could sit in a corner of the minister's office in his riding.

Mr. Deputy Speaker: Order, please. The hon. member's remarks are interesting but I have some doubt as to their relevance to the bill before the House.

Mr. Benjamin: Mr. Speaker, I was trying to let my colleague, the hon. member for Saskatoon-Biggar, in on the advances to the office space fund. Actually, this is just a sort of warm-up to what is to come in the next few weeks; it is only preliminary to what will happen in respect of legislation the minister has on the order paper. I suppose one could say we are all practising or rehearsing for what is to come. This is infield practice in advance of the more serious part of the game to come.

We will go along with the amendments proposed by the minister, but God help him if his prediction falls short during this or the next crop year. These amendments will save the government several millions of dollars in interest charges. No doubt this makes the Minister of Finance (Mr. Benson) very happy and puts the minister in charge of the Wheat Board in his good graces. I cannot say the same for his position so far as the farmers of the Prairie provinces are concerned. We will now sort of rest a while, but we will not rest easy. We will wait to see what happens as a result of the minister's amendments. We will wait to see what happens this fall following his proposals regarding quotas and grain delivery. We look forward with great anticipation to seeing what will happen.

Mr. J. H. Horner (Crowfoot): Mr. Speaker, I believe that Bill C-239 is the result of a debate which took place in this House of Commons on October 28, 1968.

An hon. Member: Read my speech.

Mr. Horner: I do not have to read any member's speech made during the fall of 1968 to know what gave rise to the proposals contained in this bill; I can only suggest the relationship between what happened in 1968 and the proposals contained in four agricultural bills, namely, Bill C-239, Bill C-176, the bill pertaining to grain marketing and the grain storage bill.

Let me refer hon. members to a speech made by the Prime Minister (Mr. Trudeau) on June 2, 1968, in which he enunciated Liberal policy on agriculture. His speech was made in the city of Winnipeg.

An hon. Member: He said, "Why should I sell your grain?"

Mr. Horner: Yes, he said that. I well remember that remark. I could quote his remarks on a number of other subjects. However, at this time I shall refer to the remarks he made about cash advances' legislation. I quote from the Winnipeg *Free Press* of June 4 in reference to his speech of June 2 in which he enunciated the Liberal government's policy. He said:

> This, of course, is a long-term attempt to solve the problem.

I underline those words. He went on to say:

> To tide farmers over the immediate situation, it is proposed that the amount of cash available to farmers as interest-free loans on farm-stored wheat doubled from $3,000 to $6,000 and that the rate of repayment be reduced.

• (9:20 p.m.)

This was enunciated by the Prime Minister on June 2, 1968, in Winnipeg. We have also heard the minister's remarks regarding the necessity of doubling the amount and reducing repayments. We have heard that they have done this in order to tide over the farmers and what a great benefit this program has been to producers during their worst possible delivery years. He said the government doubled the amount available and reduced the repayment of cash advances. What has this led to?

Before continuing I should like to point out to the House that the Prime Minister of Canada made these remarks when the hon. member for Saskatoon-Humboldt (Mr. Lang) was not in charge of the Wheat Board; he was just arunning, just an also-ran in the election of June, 1968. He was not in charge of the Canadian Wheat Board. He was not in charge of the advance payments program or in charge of sales of wheat until six or seven months after those statements were made by the Prime Minister. Let me make it abundantly clear to the House and to the country that one man is running Canada, and one man only. That man is the Prime Minister of Canada.

Some hon. Members: Hear, hear!

Mr. Horner: I hear some cheers. I point out that that man happens to be on holiday today. I hope he is enjoying his holiday, because the country is not enjoying the holidays he is having. The country has not enjoyed the repeated holidays that man has taken since he laid down the program that his yes-men must follow. I think we as Canadians must be appreciative of the fact that Canadians are not yes-men.

An hon. Member: Yes, man!

Mr. Horner: Someone sitting very close to the former mayor of Toronto—I believe his name is Givens; he does not speak very often in this House—said, "Yes, man". I appreciate there may well be two of them from Toronto who do not like the way this government is carrying on its business.

I wish to bring to the attention of the House that we are thankful the former Minister of Communications has said he has had enough. He has found it necessary to go across the country and say he will no longer be dominat-

ed by this dictator who was prepared to lay down what would be available in cash advances to western farmers even though he was a teacher of law in Montreal and knows absolutely nothing about grain production. Still he could pick from his authorities and from his advisers and determine what was best for Canada on June 2, 1968, and lay down exactly what was to happen in Canada.

The cash advances legislation is an example which I will record in this House of Commons. We will examine the master's words and dictates. On June 2, 1968, in Winnipeg the master dictated that cash advances would be doubled and repayments reduced. He said this before the present minister was even elected, let alone designated as minister in charge of the Wheat Board. This minister would like to portray to western Canada that he alone speaks for the Canadian Wheat Board and has taken under advice the Menzies report in respect of wheat marketing. He would have us believe he had that under advice as far back as October, 1968, and that he did in fact double the amount available under cash advances.

Today, before six o'clock, he told us that a real job was done in this regard and that it assisted the farmers through a difficult period. In fact, he said it was the worst marketing period in Canadian grain history. Let me read, however, the advice he received from the opposition on October 28, 1968, after the cash advances legislation of today was introduced in Bill C-113. I repeat "113" because perhaps it was an unlucky number since the legislation did not last very long. I pointed out that in Winnipeg the Prime Minister enunciated this policy and that the person who was picked from Saskatoon indicated that he carried it out even though he was not the minister in charge of the Wheat Board at the time the policy was initiated.

As recorded at page 2133 of *Hansard* for October 28, 1968, the minister was advised what would happen. At that time I said:

> Now, if I may turn my attention more specifically to Bill No. C-113, I may say that back on October 4, which is quite a while ago, I directed a number of criticisms at this measure. However, I am not going to remain rigid or fixed in the positions I took at the resolution stage. On October 4 the minister and I got into a discussion with regard to the availability of cash advances and the ability of the farmer to repay those cash advances. I keep referring to the measure as cash advances, which is the common expression in western Canada, but actually it is the Prairie Grain Advance Payments Act.
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> The interpretation of the act in the past was that a farmer would receive 50 cents on the dollar per bushel of wheat delivered, the other half dollar going to repay the advance under the legislation. On October 4 the Minister without Portfolio, who in effect is an honorary parliamentary secretary to the Minister of Trade and Commerce (Mr. Pepin), said that under the proposed bill farmers would be paid a cash advance of $1 per bushel, and that the repayment would still be at the rate of 50 per cent of that amount. The minister will correct me if I interpret his remarks wrongly but I think that he said that the farmers would repay at the same 50 per cent rate per bushel delivered under their quota. I and a number of other members of the opposition fail to comprehend how this system would fully repay the cash advance within the year, particularly if the quota remained at a staid and solid six bushels per acre.

Mr. Speaker, history has proven that I and a number of speakers from the opposition parties were right when we said there was no possible way in which cash advances could be repaid by farmers if they obtained all that was available to them. The ultimate question in that regard which might be asked by you, Mr. Speaker, or by any other member is, why take it if you cannot repay it? I have mentioned the date on which the first remarks in this regard were made by the Prime Minister. In his Winnipeg speech, in respect of cash advances he said interest-free loans on farm-stored wheat would be doubled from $3,000 to $6,000 and that the rate of the repayment would be reduced. This was on June 2, 1968, before the June 25 election. It is obvious to anyone within the sound of my voice that the Prime Minister made those remarks purely in an effort to entice western farmers to vote for the Liberal party.

Mr. Knowles (Winnipeg North Centre): Did they?

Mr. Horner: The hon. member for Winnipeg North Centre (Mr. Knowles) asks, "Didn't they?"

Mr. Knowles (Winnipeg North Centre): I said, "Did they?"

Mr. Horner: I am sorry; he said, "Did they?" I would say that 75 per cent of them did not and that the other 25 per cent regret they did.

An hon. Member: That isn't time.

• (9:30 p.m.)

Mr. Horner: Somebody on the other side of the House said that is not true. I would like to hear that said a little louder.

Mr. Lang: It is your usual—a half-truth.

Some hon. Members: Oh, oh!

Mr. Horner: Well, Mr. Speaker, the minister himself, the great man who left the farm when he was 18 years old to study law and promised his father that he would never return again, has become the great adviser on Canadian agriculture. He said that my statement is half true. As I look across at him today I can see that he only half-shaved this morning, but only because he only half-looked in the mirror. He only half-faced himself in the mirror, perhaps because what I said was absolutely true. There is not a farmer in western Canada today who does not hope that an election is called immediately so that they can set the record straight and can prove that they never voted for this government. There is not a man on the other side of the House who can deny this.

I notice that the minister is very quiet in that regard, and I point out that the House leader of the Liberal party is in the chamber at present but he says nothing; he does not say that the Saskatchewan farmers want to vote in favour of this government. Not a word is heard on the other side; there is silence. Even the hecklers have died down. I wonder why. I wrack my brains to determine why. But then I come to the conclusion that perhaps it is because there are four by-elections to be held before May 31 and there is one empty seat in the province of Saskatchewan, so that a by-election may never be called

there. Why is that? It is because they cannot find a candidate. And if they found a candidate, his sons or his wife would not vote for him if he ran for the Liberal party. He would have nobody voting for him. That is why they are so silent.

Prairie farmers have caught on to Liberal proposals. On June 2 of last year the Prime Minister promised them that cash advances would be doubled and repayments reduced. "Get rid of the small farmer; get rid of every farmer; get them out of our hair," is what they are saying in this government—and western Canada has caught on. Within the last seven days, the Leader of the Opposition (Mr. Stanfield)—

An hon. Member: Which leader?

Mr. Horner: —the Leader of the Opposition received 35,000 coupons objecting to the Liberal government's proposal with regard to agriculture. But that does not stop them. They are going to proceed with it. What does the Minister of Agriculture (Mr. Olson) have to say about the matter of cash income, which is related directly to cash advances? We heard the person in charge of the Canadian Wheat Board and responsible for cash advances say that wheat farmers have just gone through the worst period in their history. He said that they need to have cash advances doubled and repayments reduced. What did the Minister of Agriculture, who fell asleep during today's question period, have to say on December 3, 1970? He said:

—one wage earner in three draws a pay cheque either directly or indirectly from the agricultural industry.

The agricultural industry is an important industry when we consider all the wage earners. What else did the Minister of Agriculture have to say? He said that cash advances are an indirect form of aid. Then he said that about 51,000 farmers from the three prairie provinces have not repaid their loans. But believe me, Mr. Speaker, they are trying to repay them. I should like to quote the Minister of Agriculture as reported in the *Western Producer* of December 3, 1970:

Mr. Olson said the federal government spends about 3.3 per cent of the total federal budget on agriculture—the Canada Department of Agriculture spending $281 million and other departments and agencies spending an additional $142 million. The totals do not include the "indirect aid" to agriculture through such programs as farm products purchased as food aid to other countries.

Admitting the difficulties of making exact comparisons, he said Canada spent about $350 per person employed in agriculture in 1968, and this compares with $675 in West Germany, $980 in France, $1,059 in Britain, $1,287 in the United States and $1,502 in Switzerland.

That is what the Minister of Agriculture said regarding what is directly spent on agriculture in Canada, in comparison with what is spent on agriculture in other countries in direct and indirect aid. What does the minister in charge of the Canadian Wheat Board have to say about this whole proposal regarding aid? He said before five o'clock today that we went through a very difficult period in agriculture and that we had to double the cash advances and reduce the repayments, but he said there is still $95 million outstanding in western Canada. There are 51,285 farmers who have taken advantage of this loans program and who have not paid them back, but he said that this is a great reduction from the previous year and that the loans will eventually be paid back.

He also said the following, as reported in the *Western Producer* of Thursday, February 4:

Mr. Lang said a new quota system, "designed to avoid a bias in favour of the highest price grain, which in the past has been wheat", will be announced within the next month.

That is in essence what he said a few minutes before five o'clock with regard to this program. He said that the whole bill is designed in such a way as not to create a bias in favour of wheat. We are now going to include grains such as rye, flaxseed and rapeseed, the production of which would make farmers eligible for cash advances once this legislation is passed. Under this bill, farmers would be entitled to receive $1 a bushel for wheat and this in essence would encourage the production of wheat. But I point out to hon. members that under the old legislation farmers were entitled to receive 40 cents a bushel for oats and 70 cents a bushel for barley. Under the present bill it is up to the Governor in Council to determine what amounts shall be made available, and for what periods.

How can the cash advances' legislation be used to encourage the production of any kind of grain if the Governor in Council does not have the guts, the determination, the fortitude or foresight to say, "We encourage the production of such-and-such commodity"? The minister in charge of the Canadian Wheat Board and the Minister of Agriculture have said in this House, "Last year we did encourage the production of barley." I would like the minister in charge of the Wheat Board to stand up and tell us when, before May 4 a year ago, he encouraged the production of barley. I would like the Minister of Agriculture to say when, before May 4 last year, he encouraged the production of barley. I say May 4 because now in western Canada the farmers are preparing to seed. At no time before May 4 last year did either minister encourage the production of barley.

• (9:40 p.m.)

I see the minister rearing his head; I would say "his ugly head" but I have no personal objection to it and therefore I would not want to say "his ugly head." But at no time did the Minister of Agriculture or the minister in charge of the Wheat Board rise in this House before May 4 a year ago and say they wanted to encourage the production of barley. But they say that this legislation has in fact encouraged the production of wheat. That cannot be substantiated, but what can be substantiated—I want to emphasize this before I close—is that they deliberately doubled the cash advances available under western grains, wheat, oats and barley last year and they did it because the Prime Minister said they would before the June 25 election. They did it and they were advised on October 28, as recorded at page 2123 of *Hansard*, that this would result in the farmers incurring debts that they would not be able to pay.

The minister in charge of the Canadian Wheat Board at that time was the Parliamentary Secretary to the Minister of Trade and Commerce. He will remember the argument that I had with him. I told him, "You are going to bring farmers deeper and deeper into debt. This will severely hurt the small farmer." I said that in October, 1968. I said it later in 1968 and also in the early part of 1969. I said that the legislation would result in small farmers incurring debts that they would not be able to pay.

If one studies Bill C-239 one can clearly understand why they are increasing the interest rate on the amount eligible for repayment. It is because they have sunk the small farmer into debt. They have driven him from the farm. And then only within the last few days the Prime Minister stood up in Vancouver—the same man who made the speech in Winnipeg two years ago—and said we have to gear ourselves to a policy of net social benefit. Is it net social benefit to drive small farmers into the cities to live on welfare? I would think not.

The small farmer enjoys more psychological security living on his small farm than he ever will living on welfare in the air-polluted, water-polluted cities. On the farm he enjoys a better quality of life. He certainly enjoyed a better qualify of life on the farm in 1968 before he was enticed and led to his own destruction by the Prime Minister, aided by the minister in charge of the Canadian Wheat Board.

What does this bill suggest? I would like all members to look at clause 12. What does clause 12 suggest? Higher interest rates—that's what it suggests. Who will pay them? It is not the farmer who can afford to pay, but the farmer who is already behind on repayment of his cash advances. That is when we soak him. We catch him when he is down and put him out of business. We force him to go into the cities, make him take a job or go on welfare. In any event, he must leave his farm. That is the purpose, the object of most of the farm legislation that has been introduced by the government and this cash advances legislation is a perfect example. If one studies the chronological order in which the government has proceeded with its farm legislation, you can see this is the way it is aimed, right through from October, 1968, up to Bill C-239.

Does a farmer get any indication from this bill as to how much he will be able to get as a cash advance on wheat? The farmer is now going into the seeding period. This bill covers rye, flax and rapeseed. Mr. Speaker, I notice this ugly head is rearing itself once again and paying attention. Does the farmer receive any indication of what he will receive as cash advance on the grain he is preparing to plant this month? I see the minister mouthing the word "Yes." I have to say the word "Yes" because I know from my experience in this House that mouthed words do not appear in *Hansard;* therefore, I have to interpret the words that the minister mouths. He mouthed the word "Yes," meaning that before spring planting farmers will know how much advance will be available under the six crops covered by this bill. Am I correct in that statement? I would like to see him nod his head on that statement.

[Mr. Horner.]

Mr. Lang: Half right.

Mr. Horner: Mr. Speaker, if I were an American politician I would say I was in the ball-park, but I am not and I want to be right. Before this legislation passes I want the minister to stand up and say what is 100 per cent right. Will the farmers know how much in cash advances will be available to them with regard to the various crops, before spring seeding? Will there be half the value with regard to flaxseed, which runs in the neighbourhood of a little less than $3 a bushel? Will that be available to them as a cash advance, now that flaxseed is coming under the bill? With regard to rapeseed—a very speculative crop, I might add—has the minister the foresight to predict that half the value of rapeseed under today's prices will be available through cash advances to farmers, before they plant rapeseed this spring?

How much will be available? If $1 a bushel isn't available under wheat, how much will be? If 45 cents is not available under oats, how much will be? If 70 cents isn't available under barley, how much will be and how much will be the repayments of the farmers? Will they be increased, or reduced as the Prime Minister stated on June 2, 1968? These are questions that the farmers are asking themselves. But we are being asked to pass this legislation without any answers, and the minister in charge of the Wheat Board suggests I am half right. This is not good enough when you consider the problems the farmer has had in the past year.

The farmer has taken the advice the Prime Minister gave on June 2, 1968. He has taken the cash advances. He has taken more than half the price of the grain sold, in cash advances. He has accepted a reduced repayment. He stands in debt. As of April 24, 1970, the Canadian farmer had received $228 million under cash advances. Since that date he has been attempting to repay it. How successful has he been?

Mr. Woolliams: How could he be successful, under this government?

Mr. Horner: How could he be successful, under this government? That is the crux of the problem, because this government has prohibited the farmer from delivering his grain. The minister must admit the facts. Let us take wheat, for example. Wheat is a major crop. The normal amount of wheat in commercial storage at this period of the year ranges up to 440 million bushels. What is the present situation, Mr. Speaker? It is down, in the neighbourhood of 340 million bushels; and that is 100 million bushels of empty storage.

• (9:50 p.m.)

Can the minister suggest that the cash advances would be as large and outstanding if they allowed the farmers to fill the commercial storage? Does he want me and other members of this House, no matter what they have to do with the agricultural industry, to believe that the agricultural industry could not repay their advances if he accepted the grain to fill the storage available? He cannot answer that question, Mr. Speaker, because he knows in his heart that the $51 million advanced could be repaid,

down to at least $15 million or $16 million, if he were prepared to fill the storage available in western Canada—available, that is, in the commercial storage space on the Prairies, on the coast and at the Lakehead. But he has deliberately kept that storage empty.

Why, Mr. Speaker? Many farmers are asking this question. One could answer that the government want to collect the higher interest rate proposed in this bill. I do not really believe that is the case, though it might be a political answer.

I think they want approval to remove the Temporary Wheat Reserves Act. They want to be able to say, on July 31, "The Temporary Wheat Reserves Act is nothing. It did not really do much good and it has been reduced from a $40 million normal payment to something like $20 million. The opposition is completely wrong in advocating that the Temporary Wheat Reserves Act not be done away with."

What have we to say with regard to grain in storage? Do we need it in storage or not? It is interesting to note that on March 15, 1971, I put the following question to the minister:

I have a supplementary question with regard to grain sales for the minister responsible for the Canadian Wheat Board. Can the minister inform the House whether the additional 10 cents per bushel for barley is bringing in the required amount of barley or are we still turning down sales requests?

Disregard the last part of the question and consider the first, where I asked if this program was bringing in the necessary amount of barley so that quotas would be available to the producers. The Minister of Manpower and Immigration who is in charge of the Wheat Board, at page 4252 of *Hansard* had this to say:

The flow of barley is stepping up. We hope it will continue to increase. There is space available in some provinces where there are also significant barley quotas available. We are therefore urging the farmers to deliver the grain because—

I emphasize the word "because" Mr. Speaker.

—because the Wheat Board would like to see the flow of barley established before it makes additional sales.

In other words, the Wheat Board was not prepared to make additional sales until it had the grain in storage. I see the minister shakes his head in a negative manner. I would be pleased to see him stand in this House and correct my interpretation of his words. But now can one misinterpret those words on page 4252 of *Hansard* when he said—

Mr. Lang: Would the hon. member permit a question?

Mr. Horner: Fine.

Mr. Lang: I wonder whether the hon. member can notice the distinction between the words "until the flow of grain is established" and the words "until the grain is in storage"?

Mr. Horner: Well, Mr. Speaker, I never was much for being—

Mr. Lang: For being accurate.

Mr. Horner: —picayune about words, but let me explain to the minister the meaning of the words, "We are therefore urging the farmers to deliver the grain". Let me just go that far. These are his words, not mine. Now he wants delivery. We have come that far. Every farmer in this House could deliver his grain. Let's go a little further, "—because the Wheat Board would like to see the flow of barley established before it makes additional sales." I emphasize the word "before"—

Mr. Deputy Speaker: Order, please. I regret to interrupt the hon. member but I do so to advise him that the time allotted to him has expired.

Some hon. Members: Continue.

Mr. Horner: In light of the clock, I wonder if I could request—

Mr. Deputy Speaker: The hon. member may continue if there is unanimous consent. It is impossible for the Chair to determine whether there is unanimous consent unless I am given an opportunity to hear. Is there such unanimous consent?

Some hon. Members: Agreed.

Mr. Horner: Thank you, Mr. Speaker. I realize the position the clock is in and I will take only a few more moments. Let there be no misunderstanding of the minister's statement on March 15, 1971, found at page 4252 of *Hansard* when he said, "We are therefore urging the farmers to deliver the grain because the Wheat Board would like to see—". I emphasize the word "see," meaning availability. How else can you determine the meaning of the word "see"? He continued, "—the flow of barley—", and I emphasize the word "before", "before it makes additional sales". Additional, meaning plus; something that you do not have now but you will have if you see the flow.

I say to the minister that we cannot afford to have empty storage space, because if that storage space is full we will then see the flow, know the flow and go out and make sales. Because of the empty storage space, the minister has cost the farmers of western Canada money because the sales representatives of the farmers, the Canadian Wheat Board and others, could not see the flow, did not know the flow, did not know the availability of additional grain and therefore they turned aside sales of barley. This is true of grain of all kinds, including wheat, oats, barley, rapeseed, flaxseed and rye.

PROCEEDINGS ON ADJOURNMENT MOTION

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

POST OFFICE—ALLEGED DIFFICULTIES RESULTING FROM NEW MAIL ROUTINGS

Mr. John Burton (Regina East): Mr. Speaker, on Friday last I asked the minister who is apparently in charge of the Post Office the following question:

Since new mail routings introduced by the Post Office have in many cases resulted in much slower mail service and reduced

standards, is the minister planning a further overhaul to correct the mess that exists in many places?

The minister replied:

I did not quite understand the first part of the question.

This is not an unusual occurrence with respect to the minister in charge of the Post Office, so I asked this further question:

Is the minister not aware that there are many cases in Canada, such as some in Saskatchewan which have come to my attention, where mail that formerly travelled 109 miles in two days to reach its destination from a major centre now has to travel almost 350 miles and takes six days?

Mr. Speaker, the occasion for this question was a letter I received from a resident of Raymore, Saskatchewan. Some of the people who get their mail in Raymore live in Regina East. The letter reads:

• (10:00 p.m.)

We are on rural route mail delivery twice a week, Tuesdays and Fridays.

We used to get the *Western Producer* on Fridays. Since they changed the mail route from Saskatoon we don't get our mail till Tuesday.

Why are all the detours? Saskatoon is around 100 miles from Raymore. The way the mail travels, it is around 400 miles.

Can't we get a better mail service?

Then the letter reads:

This is what we call a poor service, getting week-old news.

The sender of that letter included in the envelope a letter he had received from the circulation department of the *Western Producer* dated March 30, 1971. It reads in part:

With reference to your recent letter, please be advised that the *Western Producer* for your area goes out each Wednesday but on occasion it may go out on Thursday morning. In checking in the mailing room we find that since the mail now has to go to Regina, then to Melville then to Raymore, this would explain the reason for the delay.

Let us look at the picture. Raymore is approximately 109 miles southeast of Saskatoon. From Saskatoon to Regina the mail travels 161 miles, but at Regina it is only 74 miles from Raymore. It travels from Regina to Melville, another 93 miles, so that it is then 90 miles from its final destination, Raymore. Finally, it makes its last journey of 90 miles and arrives in Raymore after having travelled 340 miles.

I could cite many other examples. One came to my attention within the last couple of weeks. A lady in Ottawa had sent a letter to her mother in Weyburn, Saskatchewan. It was mailed early on Wednesday afternoon, April 7, and arrived in Regina on April 8, as is evident from the postmark. The mother received the special delivery letter in her mail-box on Easter Monday, April 12, five days later. I remember that 25 years ago we had a one-day service from eastern Canada to Saskatchewan for regular, first-class mail.

The Minister of Manpower and Immigration (Mr. Lang), who represents the constituency of Saskatoon-Humboldt, ought to be familiar with this further example. The village of Lake Lenore is located approximately 20 miles northeast of Humboldt, which in turn is 70 miles straight east of Saskatoon. Instead of there being a direct service between Lake Lenore and Humboldt, mail from Lake Lenore now travels to Saskatoon, almost 100 miles, and then 70 miles back to Humboldt. Certainly this is no improvement and it is not an efficient operation.

These new routings may speed up some mail services but they seriously hurt rural mail service and service to small centres. The post office is a vital institution in rural communities and it is important today in terms of service in respect of modern agricultural requirements. There are concerns about the future of rural Canada. The process of disintegration of communities and of rural life is evidenced in many parts of Canada.

Hundreds of post offices have been closed in the past couple of years. The hon. member for Regina-Lake Centre (Mr. Benjamin) earlier tonight recalled that the Minister of Manpower and Immigration, the member for Saskatoon-Humboldt, interfered with respect to a post office on the border of Regina East and Regina-Lake Centre. This was the post office at Serath. The minister passed on the message, acting as a messenger boy, that some people who would like to see the Esk post office kept open but wanted the Serath post office closed. I suggested, without contradiction, that those people were the Last Mountain Liberal executive, the local Liberal executive in that area of Saskatchewan.

I think this matter is too serious to be passed over lightly. I know that probably the reply will point out that there have been improvements in mail service as a result of new groupings. With that I probably cannot argue. However, I suggest that there have been other detrimental effects as a result of new programs introduced by the Post Office, such as these routings, closure of post offices, reductions in service, and so on. These are hurting rural life in Canada and in the process are hurting Canada as a nation.

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, I am pleased to respond on behalf of the Minister without Portfolio, in charge of the Post Office (Mr. Côté) who is unable to be present this evening. The hon. member for Regina East (Mr. Burton) has drawn our attention to certain delays in mail deliveries in Saskatchewan. He described the circuitous route followed by some mail. The principal source of the problem in southeastern Saskatchewan, for example, arises from existing trucking schedules in relation to the changed receipt time for incoming mail, which has been caused in turn by changes in railway services.

I assure the hon. member that in this particular situation, as in other, similar situations, a solution is under consideration. This solution will involve an extensive change in truck routing and schedules, one which we trust will not unfavourably affect other locations in the general area. These changes will be implemented as soon as a balanced trucking network is established in conjunction with the assured mail program due to start early in August.

[*Translation*]

REGIONAL ECONOMIC EXPANSION—QUEBEC—APPLICATION FOR INTEREST-FREE LOANS FROM FEDERAL GOVERNMENT

Mr. André Fortin (Lotbinière): Mr. Speaker, on April 21, as reported at page 5120 of *Hansard* I asked the right hon. Prime Minister (Mr. Trudeau) whether the government of Quebec had applied for assistance from the federal government not only to finance the public sector of the Quebec economy, but also the government of the province of Quebec and municipalities which, it is well known, are facing tremendous financial problems.

Furthermore, I asked the Prime Minister whether the federal government was considering setting up some sort of Canadian development agency corresponding to the CIDA, through which the federal government grants interest-free loans to foreign countries. Therefore, I requested the creation of a Canadian development agency that would distribute new credits issued by the Bank of Canada in order to finance the public sector of the economy and develop the municipalities in Quebec. Provincial and municipal authorities could then set up priorities which would enable them to insure a certain economic development.

As it is reported in *Hansard,* the Prime Minister answered by a joke as he thought the question was quite funny. Once again, he found a way to evade the question. That is why, Mr. Speaker, I asked that this matter be discussed later.

For instance, the Prime Minister said, and I quote:

—the federal government pays to developing provinces huge amounts which will nearly reach one billion this year.

Then he said:

These are not interest-free loans—

These are his own words. He is confessing—

—but grants taken from the other provinces' taxes.

First, this is hardly the case because Quebec contributes as much as any other province to the equalization system and, second, with his elusive tactics, the right hon. Prime Minister did not answer the question. He even added, Mr. Speaker, that the taxpayers' money should contribute to economic progress.

Mr. Speaker, it is not the Canadian taxpayers' money which contributes to the development of foreign nations, but lines of credit with the International Monetary Funds which are issued to Canada and redistributed by the Canadian International Development Agency. Why? To stimulate the public sector of developing countries. We agree that Canada assists those countries. Since the government considers that policy useful to other countries, as he suggests it is, and we agree on that, I wanted to know whether he would accept under that same policy to assist provincial and municipal governments, particularly in Quebec?

I asked that question because Mr. Bourassa, the premier of Quebec, was then on a pilgrimage in Europe on hands and knees before financiers while a little earlier he had been crawling at the feet of United States tycoons. Why? To sell Quebec to American and foreign interests.

At the same time, we give our money to foreign countries for their development. Taking into account that inconsistency, I was expecting an intelligent answer from the Prime Minister, but it did not come.

• (10:10 p.m.)

Mr. Speaker, only recently a meeting of municipal representatives asked the federal government to help them develop their long-neglected areas. The mayor of Victoriaville, a municipality in my constituency, was recently refused through referendum large amounts that were to be used to establish recreation centres and organize the public centre in that city, because people said: We are already paying too many taxes. On that account, they were right. But can anybody blame the municipal council which does not receive any help from the provincial government nor from the federal government, which is pure nonsense.

Thus municipal and provincial authorities are placed in such circumstances that they must either refuse to act or sell our province or our natural resources, because we sell them—we give them I should say—to foreigners in order to develop this country.

Mr. Speaker, my question was simply as follows: What does the Canadian government intend to do? Does it want Canadian provinces, especially Quebec, to benefit from its policy on developing countries? If so, is it its intention to enter into discussions with provincial authorities? Mr. Speaker, the government could show at least enough logic and intellectual honesty to accept such a proposal and to discuss the question.

I therefore repeat my question to the hon. parliamentary secretary to the Minister of Economic Regional Expansion (Mr. O'Connell), who is, I know, a very public-spirited and conscientious man! May we expect the federal government to present as soon as possible an investment policy that would be based not on taxes, but on new lines of credit issued by the Bank of Canada, to provide for the sound and normal economic development of the provinces and municipalities and get them out of stagnation?

Mr. Martin P. O'Connell (Parliamentary Secretary to Minister of Regional Economic Expansion): Mr. Speaker, the hon. member will recognize that some aspects of his question are arguable.

A distinction should be made between the government's programs for the economic expansion of developing countries and those aiming at reducing disparities between the various regions of Canada. Those areas are not completely unconnected but they are not identical and the government's programs in favour of developing countries should not be compared with those concerning the economic development of Canada.

The federal government is not considering setting up a new organization to accelerate our economic expansion since, as already stated by the right hon. Prime Minister (Mr. Trudeau), replying to the hon. member on April 21, all the required bodies are already existing.

For example, the Department of Regional Economic Expansion will allocate this year more than $330 million

to our economic development. Since most of this amount will be paid in the form of subsidies, it is in my opinion better than a loan. In addition, the transfer payments to the provinces will amount to over $1 billion. Moreover, this year, the federal government has granted $150 million to the province under a special development loan program, so as to accelerate the implementation of job-creating projects.

I could keep on with this enumeration but I think that I have demonstrated that the government has granted priority to the economic development and to the amounts required by this thorny problem and that it is neither necessary nor desirable to add new organizations to those already existing.

Motion agreed to and the House adjourned at 10.17 p.m.

HOUSE OF COMMONS

Wednesday, May 5, 1971

The House met at 2 p.m.

PRIVILEGE

MR. MACDONALD (EGMONT)—ANSWER TO QUESTION CONCERNING SECURITY AND INTELLIGENCE DIVISION OF ROYAL CANADIAN MOUNTED POLICE

Mr. Speaker: Yesterday the hon. member for Egmont rose on a question of privilege in relation to an answer given by the Solicitor General to question No. 1,199, which was reported in *Hansard* of May 3 at page 5423. The question asked by the hon. member for Egmont related to the security and intelligence operations of the Royal Canadian Mounted Police. The minister replied as follows:

The Royal Canadian Mounted Police is the main federal operational and investigative body in the field of security. Such authority—there is no explicit statutory authority—as does exist is derived from certain sections of the R.C.M. Police Act. It would not be in the public interest to divulge any further information in this connection.

The hon. member for Egmont claimed that the refusal of the minister to supply the specific information which he sought was a breach of his parliamentary privileges. In support of that contention the hon. member quoted citation 113 of Beauchesne's Fourth Edition as follows:

Libels upon members and aspersions upon them in relation to Parliament and interference of any kind with their official duties, are breaches of the privileges of the members.

I cannot agree with the hon. member's interpretation of that citation. It is correct, of course, to state as a general principle that a member should not be impeded in the discharge of his parliamentary duties. I suggest that this in itself does not create an obligation on the part of the government to supply any and all information sought by a member, either by way of an oral question or a written question. Indeed, there are many precedents to indicate that from time to time ministers have refused to answer questions on the ground that it would not be in the public interest to do so.

• (2:10 p.m.)

Citation 181, section 3, of Beauchesne's Fourth Edition states that a refusal to answer cannot be raised as a question of privilege. A similar opinion is expressed by Bourinot in this fourth edition of his Parliamentary Procedure at page 314, which I would like to quote:

An answer to a question cannot be insisted upon, if the answer be refused by a minister on the ground of the public interest, nor can the question be replaced upon the notice paper, nor the refusal of the minister to answer be raised as a question of privilege.

The same principle is expressed by Sir Erskine May in the seventeenth edition of his Parliamentary Practice at page 351. Again I quote:

An answer to a question cannot be insisted upon, if the answer be refused by a minister, and the Speaker has refused to allow supplementary questions in these circumstances. A question to which an answer has been refused, like any other question which has been fully answered, cannot be replaced upon the notice paper. The refusal of a minister to answer a question on the ground of public interest cannot be raised as a matter of privilege.

It may well be that the hon. member has a grievance. He may want to seek information by some other means, perhaps by way of a motion for the production of papers or in the Committee on Justice and Legal Affairs which has before it the estimates of the RCMP. In any event, the Chair has to rule that the hon. member has not made a prima facie case of privilege.

ROUTINE PROCEEDINGS

COMMITTEES OF THE HOUSE

[*Translation*]

PRIVILEGES AND ELECTIONS

First report of Standing Committee on Privileges and Elections—Mr. Laflamme.

[*English*]

NATIONAL RESOURCES AND PUBLIC WORKS

Fifth report of Standing Committee on National Resources and Public Works—Mr. Hopkins.

[*Translation*]

FINANCE, TRADE AND ECONOMIC AFFAIRS

Fifteenth report of Standing Committee on Finance, Trade and Economic Affairs, in the two official languages—Mr. Clermont.

[*Editor's Note: For text of above reports, see today's Votes and Proceedings.*]

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PRIVILEGE

MR. CAOUETTE—CHANGE IN OFFICIAL NAME OF PARTY

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wish to rise on a question of privilege to draw the attention of the House to the fact that on April 3 and 4 last, Créditistes from all provinces of Canada assembled in a National Council in Ottawa.

It was decided on that occasion to change the name of our party from "Le Ralliement créditiste" to "Le Parti Crédit Social du Canada" in French and "The Social Credit Party of Canada" in English, or for short "Crédit Social" and "Social Credit".

I hope, Mr. Speaker, that this change will lead the Prime Minister (Mr. Trudeau) to give more consideration to Social Credit.

Questions

QUESTIONS ON THE ORDER PAPER

[*English*]

(Questions answered orally are indicated by an asterisk.)

POLLUTION—SOLID WASTE DISPOSAL

Question No. 765—**Mr. Alexander:**

1. Which department, if any, bears primary responsibility for the development of research or demonstration projects to deal with solid-waste disposal?

2. On what dates and by whom were recommendations made to the Department of National Health and Welfare advocating research studies into the problem of solid-waste disposal as indicated by the Parliamentary Secretary to the Minister of Finance on December 14, 1970, in *Hansard* at pages 2026-2027?

3. Are studies concerning any of the 28 items falling under the headings of Management and Regulation of Disposal Practices, Disposal Methods, and Environmental Effects referred to by the Parliamentary Secretary currently in progress and, if so, (*a*) by whom are they being undertaken (*b*) when are they expected to be completed (*c*) will these studies be available to the public upon completion?

Hon. John C. Munro (Minister of National Health and Welfare): 1. It is anticipated that the new Department of the Environment will bear primary responsibility for the development of research or demonstration projects to deal with solid-waste disposal.

2. In October 1968, the Advisory Committee on Public Health Engineering instructed the Public Health Engineering Division to assemble reference material on the subject of solid-waste disposal for use by its subcommittee on Solid Wastes. After a thorough search of the current scientific literature, a Divisional manuscript report, "Research Needs for Solid Waste Management in Canada" was issued in December 1968. This contained all the recommendations cited by the Parliamentary Secretary to the Minister of Finance on December 14, 1970 in *Hansard* at pages 2026-2027.

3. The following research projects are sponsored by the Policy and Planning Branch, formerly of the Department of Energy, Mines and Resources, but now transferred to the Department of Fisheries and Forestry: (i) Ground Water Technical Services, Montreal, P.Q. Pollution of Ground Water due to Municipal Dumps. This has been completed and is being prepared for publication. (ii) Dr. K. L. Pinder and Dr. R. M. R. Branion, University of British Columbia, Vancouver, B.C. "Fermentation of Industrial Wastes." (iii) Dr. E. R. Hayes, St. Mary's University, Halifax, N.S. "Treatment of Kraft Pulp Mill Effluents". (iv) Dr. R. A. Gallop, University of Manitoba, Winnipeg, Manitoba. Conversion of waste by-products in food processing to activated carbon, which can be used in wastewater treatment. (v) Dr. C. M. Cornwall, Waterloo University, Waterloo, Ontario. Dewatering of Sewage Sludges. In addition, a Public Health Research Grant has been approved by the Department of National Health and Welfare to: Prof. W. K. Oldham, University of British Columbia, Vancouver, B.C. "Anaerobic Treatment of Animal Wastes". All the above are ongoing projects, unless otherwise indicated, currently supported by grants for the fiscal year 1970-71. On successful completion of the studies, the results would normally be published in scientific journals by the investigators.

[Mr. Caouette.]

NEWFOUNDLAND—ACCIDENTS INVOLVING CANADIAN NATIONAL BUSES

Question No. 836—**Mr. Peddle:**

How many accidents have there been involving CN buses in Newfoundland since the inception of the bus service (a) on what dates (b) at what locations (c) were there personal injuries and, if so how many persons were injured (d) was there property damage involved (e) what was the dollar amount of such damages?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The Management of Canadian National Railways advises as follows: Since the inception of bus operations in 1968, 22 buses have covered a total of four million miles, carrying in excess of 300,000 passengers. During this period there have been accidents and incidents of varying degrees but none of a major nature involving the operations. There have been a total of 19 persons slightly injured and approximately $15,000 in personal injury and property damage claims filed against the Company. As settlement of some of these claims is still outstanding it is not considered appropriate to reply to the question in the detail requested. It may be said, however, that since 1968, 20 accidents have been caused by other parties and 24 other incidents resulted from poor weather or road conditions.

CANADIAN YOUTH HOSTEL ASSOCIATION

Question No. 863—**Mr. Comeau:**

1. Does the government provide grants to the Canadian Youth Hostel Association and, if so, in what amount?

2. Does the government intend to increase such grants and make use of this Association to apply its program for transient youths?

3. Did the government make use of this Association in operating its armouries last summer for transient youths?

4. Has the government consulted with the Canadian Youth Federation on its program?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): 1. No.

2. Discussions are currently in progress between officials of the Department of the Secretary of State and the Canadian Youth Hostel Association, regarding that organization's possible role in the Summer '71 Program.

3. No. Hostel facilities last summer were co-ordinated by the National Hostel Task Force, established by the Canadian Council on Social Development (Canadian Welfare Council).

4. Such an organization cannot be identified. If such an organization exists, the Department of the Secretary of State has had no contact with it.

PUBLIC WORKS—OTTAWA LEASES

Question No. 886—**Mr. Sulatycky:**

1. How much floor space does the government lease in Ottawa above the tenth floor in buildings in the area bounded by Wellington, Elgin, Somerset and Bronson streets?

2. (a) Who are the owners of each of the buildings in which such space is leased (b) what amount of space is leased above the tenth floor in each such building (c) what is the total amount of space leased in each of such buildings?

Hon. Arthur Laing (Minister of Public Works):

1. 1,568,939 square feet.

2. See list following:

2. Building Address	2. Building Name	2(a) Building Owner	2(b) Leased Space above tenth floor	2(c) Total Leased Space
75 Albert St.	Fuller	Metcalfe Realty Co. Ltd.	4,165	66,237
130 Albert St.	Varette	Metcalfe Realty Co. Ltd.	25,701	25,701
467-473 Albert St.	Trebla	Holcan Ltd.	12,230	128,659
200 Elgin St.	Elgai	200 Elgin Ltd.	10,147	118,330
141 Laurier Ave.	Gillin #1	Gillin Engineering and Const. Ltd.	3,909	88,160
161 Laurier Ave.	Sir Guy Carleton	161 Laurier Ltd.	53,395	126,480
219 Laurier Ave.	Canadian	Ottawa Commercial Realties Ltd.	54,611	198,675
340 Laurier Ave.	Sir Wilfred Laurier	Immeubles Laurentian Realties Co. Ltd.	65,312	311,862
400 Laurier Ave.	Centennial Towers	Campeau Construction Co. Ltd. and Robert Campeau	118,925	359,165
100 Metcalfe St.	Berger	Ottawa Commercial Realties Ltd.	85,488	183,726
222 Nepean St.	Vanier	Bona Building and Management Co. Ltd.	10,910	128,100
Nepean St.	Bell Canada	Bell Canada	286,504	286,504
110 O'Connor St.	Export Development	Narono Holdings Ltd.	14,571	147,161
190 O'Connor St.	O'Connor	Devonshire Investments Ltd.	5,096	59,500
Place de Ville Tower "A"	Tower "A"	Campeau Construction Co. Ltd.	107,581	219,875
Place de Ville Tower "B"	Tower "B"	Campeau Construction Co. Ltd.	166,476	295,168
Place de Ville Tower "C"	Tower "C"	Campeau Corporation Ltd.	287,543	467,581
66 Slater St.	Lord Elgin Plaza	Ottawa-Elgin Investments Ltd.	66,012	157,028
122 Slater St.	MacDonald	Metcalfe Realty Co. Ltd.	9,642	99,070
130 Slater St.	National	Ottawa Commercial Realties Ltd.	27,381	133,166
171 Slater St.	Vanguard	171 Slater Street Ltd.	36,300	151,668
275 Slater St.	Congill	Two Seven Five Realty Ltd.	117,040	189,574
		Totals	1,568,939	3,941,390

ADULT VOCATIONAL TRAINING PROGRAMS—PAYMENTS TO PROVINCES AND NORTHWEST TERRITORIES

Question No. 987—**Mr. Caouette:**

During each year 1967-68, 1968-69 and 1969-70, what amounts were paid to each of the ten provinces and to the Northwest Territories for adult vocational training programs?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): In so far as the Department of Indian Affairs and Northern Development is concerned the answer is:

Province	1967-68	1968-69	1969-70
British Columbia & Yukon	$595,407	$ 818,250	$1,270,077
Alberta	342,200	208,389	747,680
Saskatchewan	402,324	603,168	880,898
Manitoba	308,887	758,647	1,012,636
Ontario	482,697	612,398	1,237,662
Quebec	349,026	384,797	510,310
Maritimes	* 94,335	* 213,927	* 352,714
N.W.T.	743,211	1,155,919	1,603,489

The figures quoted are not payments to Provinces but rather are expenditures within the Province.

*These figures represent moneys spent in all of the Maritime Provinces since they come under the jurisdiction of one regional office.

In so far as the Department of Manpower and Immigration is concerned, the following amounts were paid to the provinces for the provision of occupational training:

$ 000

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	N.W.T.
*1967-68	5,523	1,085	4,072	2,053	36,580	22,360	4,136	2,740	3,376	3,477	32
1967-68	2,122	325	1,658	2,146	11,750	20,155	3,091	1,562	2,963	3,259	—
1968-69	3,767	662	4,563	2,298	30,455	23,761	4,573	2,534	5,540	3,347	165
1969-70	5,802	1,008	5,956	3,282	43,767	28,541	4,025	3,785	9,085	8,510	132

*Payments made under the phase-out arrangements of the Technical Vocational Training Assistance Act.

Questions

ALBERTA—APPOINTMENT OF REGIONAL DIRECTOR

Question No. 1,188—**Mr. Yewchuk:**

1. Has the Regional Director of Indian Affairs in Alberta been appointed and, if so, were the Indians consulted prior to the appointment?

2. Who were the members on the Public Service Commission selection board for this position?

3. What are the duties of each of the members and their respective salaries?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Public Service Commission as follows: 1. Yes. Yes.

2. Mr. A. E. Wisking, Mr. J. B. Bergevin, Mr. I. Harlock, and Mr. H. Cardinal.

3. Mr. Wisking is an officer of the Executive Staffing Program of the Public Service Commission. His salary is in the range of $15,000 to $17,600. Mr. Bergevin is Assistant Deputy Minister, Indian and Eskimo Affairs, Department of Indian Affairs and Northern Development. His salary is in the range of $24,000 to $30,000. Mr. Harlock is Personnel Adviser, Department of Indian Affairs and Northern Development. His salary is in the range of $20,000 to $25,000. Mr. Cardinal is President of the Indian Association of Alberta. His salary is not known to the Public Service Commission.

[*English*]

CBC—APPEARANCES OF PAULINE JULIEN SINCE OCTOBER 24, 1970

Question No. 1,211—**Mr. Comtois:**

Has Miss Pauline Julien been on any CBC program (either television or radio) since October 24, 1970 and, if so (a) how many times (b) on what programs (c) on what dates?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation that since October 24, 1970, Miss Pauline Julien has appeared once on each of the following program series: "A la seconde" (December 14), "Les 2D" (January 5), "Zoom" (February 7) "Weekend" (October 25) and "Tuesday Night" (January 5).

[*English*]

CANADA CENTRE FOR INLAND WATERS

Question No. 1,213—**Mr. Sullivan:**

1. What is the estimated cost of the plans for the Canadian Centre for Inland Waters?

2. How many persons are employed at the Centre and what is the breakdown of their classification of employment?

3. What is the proposed date of completion of the Centre?

Mr. Eymard Corbin (Parliamentary Secretary to Minister of Fisheries and Forestry): 1. The estimated total construction cost is $23,550,000.

2. Research Managers, 6; Research Scientists, 22; Physical Scientists, 4; Chemists, 4; Engineers, 11; Scientific Officers, 9; Ships Officers, 6; Computer System Analysts, 4; Administrative, Clerical and Stenographic Support, 39; Engineering and Scientific Support, 123; Librarian, 1; Drafting and Illustration, 3; General Labour, 12. Total 244.

3. October 1, 1972.

[Mr. Jerome.]

TURBO TRAINS

Question No. 1,215—**Mr. Sullivan:**

1. How many Turbo trains for the Toronto-Montreal run were built (a) by whom (b) what was the total purchase price (c) how many are now in operation (d) where are the remainder?

2. How much has been spent to March 21, 1971 on repairs and modification of design?

3. Is the said cost of repairs and modifications increasing the practicality of a profitable operation?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The management of Canadian National Railways advises as follows: 1. (a) Five Turbo trainsets were constructed by United Aircraft of Canada Limited and are owned by that company. (b) Canadian National did not purchase Turbo trains. (c) and (d) None, as a result of an accumulation of operating problems the reliability of service declined to a point where schedules had to be changed and ultimately to the withdrawal of all units from service. The trains are located at the Montreal maintenance facility in Central Station.

2. and 3. The maintenance and modification of the trains were carried out during revenue service pursuant to an agreement between United Aircraft of Canada Limited and Canadian National and as elements with respect to the future of the trains are now in the course of discussion, it is not considered in the best interests of Canadian National to disclose this information at this time.

CBC—ALLOCATION OF TIME FOR PROVINCIAL CONVENTIONS

Question No. 1,219—**Mr. Caouette:**

1. How much time did CBC allocate to the provincial conventions of (a) the Parti Québécois in February 1971 (b) the Ralliement créditiste—Quebec in March 1971, on both national networks (radio and television)?

2. In each case (a) what was the dollar value of the time offered free of charge as compared to the rates for such airtime (b) how many technicians did CBC use to produce these programs (c) what was the cost (i) of salaries (ii) of equipment (iii) for transfer expenses, for these programs?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): I am informed by the Canadian Broadcasting Corporation as follows: 1. The Parti Québécois convention was a leadership contest and as such it was given more coverage than the Ralliement créditiste meetings. Actual convention coverage, excluding various interviews and other items in the framework of regular news and public affairs programs was as follows: Parti Québécois: French Radio network: 3 hours 50 minutes; French TV network: 1 hour 15 minutes; English Radio and TV networks: No live broadcasting from the convention.

Ralliement créditiste: French Radio network: 40 minutes; French TV network: Nil; English Radio and TV networks: No live broadcasting from the convention.

2. (*a*) The CBC does not sell time for broadcasting coverage of political conventions and does not place a monetary value on such coverage. It would therefore be unrealistic to attempt comparisons on the basis of commercial rates for such air time and difficult to arrive at meaningful figures. (*b*) 27 television and 3 radio techni-

cians for the Parti Québécois leadership convention; one radio technician for the Ralliement créditiste meetings. (c) It has not been customary to require the CBC to disclose such details of its internal management and administration.

[*English*]

FEDERAL RECEIPTS AND EXPENDITURES

Question No. 1,221—**Mr. Barnett:**

How much more, or how much less, did the federal government spend than it collected in each of the provinces in the fiscal year 1969-70 based on the same criteria used in the reply to Question Number 741 made Order for Return July 22, 1964?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): An answer was possible to Question No. 741 made Order for Return July 22, 1964, because not long before, a special working-group had concluded several man-years of work accumulating and analysing the information for other purposes. A similar analysis has not been made for the period referred to in this question, and the information requested is not available.

TEMPERATURE CONTROL ACTIVITIES BY PHYSICAL OR CHEMICAL MEANS

Question No. 1,235—**Mr. Laprise:**

Have any corporations, agencies or persons undertaken research, studies or any activity for which the federal government granted a permit or licence, to affect the temperature by physical or chemical means since 1958 and, if so (a) what corporations, agencies or persons (b) has the federal government alone or in co-operation with any provincial government taken part (c) to the knowledge of the government, has any firm engaged in such activities?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): No.

ALASKA HIGHWAY

Question No. 1,239—**Mr. Harding:**

1. What was the total federal expenditure on the Alaska Highway for the fiscal years 1967-68, 1968-69, 1969-70, 1970-71 and, what is the estimated expenditure for 1971-72?

2. What is the total length of the Alaska Highway (a) how many miles are paved (b) where is the paving located (c) is any paving program planned for 1971-72 and, if so, what is the program?

3. Have surveys been made for relocation of any sections of the present route and, if so, what mileage is involved?

4. Have discussions regarding cost-sharing of paving the Alaska Highway been held with other jurisdictions and, if so, with whom have discussions been held and with what results?

Hon. Arthur Laing (Minister of Public Works): 1.

Fiscal Year	Expenditure
1967-68	$7,147,000
1968-69	8,131,000
1969-70	8,277,000
1970-71	8,870,000 (estimate)
1971-72	9,027,000 (estimate)

Questions

2. The total length of the Alaska Highway from Dawson Creek to the Yukon-Alaska boundary is 1,221 miles. (a) 102 miles. (b) Mile 0 (Dawson Creek) to Mile 84, Mile 300 to Mile 301 (Fort Nelson) and Mile 904 to Mile 921 (vicinity of Whitehorse). (c) Mile 921 to Mile 928 is presently under paving contract and will be completed this year.

3. Reconnaissance surveys for relocation have been carried out for Miles 206 to 278 and Miles 315 to 496. Detailed surveys have been completed only on Miles 206 to Mile 232. No reconstruction program planned for 1971-72.

4. No discussions have been held with other jurisdictions for cost-sharing of paving of the Alaska Highway. The recent U.S. Federal Highway Act authorized the President of the U.S.A., acting through the Secretaries of State and Transportation to undertake negotiations with the Government of Canada. It is expected that an initial meeting will be held in May or June this year.

*POST OFFICE—THORNCLIFFE PARK, EAST YORK, ONTARIO

Question No. 1,243—**Mr. Kaplan:**

1. Does the government have any plans to locate a post office facility in Thorncliffe Park, East York, Ontario and, if so, what are they?

2. How many locations has the government considered in the area?

3. What steps have been taken with respect to any such locations?

4. Has the government established any deadline for obtaining such facility?

5. Has any budgetary allocation been made or sought with respect to such facility?

6. When may the people of Thorncliffe Park expect an announcement?

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): There are six questions asked in this one question. The replies are brief. 1. Yes, accommodation for a front office operation to replace the previous suboffice now closed.

2. Only one available location is considered suitable.

3. Negotiations for a lease are under way.

4. No.

5. No.

6. When results of negotiations referred to in part 3 are known.

PAYMENTS UNDER PFAA

Question No. 1,253—**Mr. Thomson:**

1. How much has been paid out to farmers eligible under PFAA in each of the past ten years?

2. How much was paid into PFAA in each of the past ten years by (a) farmers (b) the federal government?

3. How many farmers in the Prairie Provinces are covered by PFAA crop insurance?

4. How many are covered by other forms of crop insurance?

Questions

Hon. H. A. Olson (Minister of Agriculture):

1.

Crop Year	Amount Paid
1960-61	$11,029,116
1961-62	54,070,578
1962-63	15,503,921
1963-64	9,679,527
1964-65	12,724,525
1965-66	5,118,864
1966-67	3,142,315
1967-68	8,888,550
1968-69	8,316,987
1969-70	5,230,281

2.

Crop Year	Paid by Farmers	Paid by Federal Government
1960-61	$ 6,941,094	$ 4,088,022
1961-62	6,839,498	47,231,080
1962-63	8,614,424	6,889,497
1963-64	10,736,292	Nil
1964-65	10,454,092	2,272,452
1965-66	10,331,386	Nil
1966-67	11,674,082	Nil
1967-68	10,106,186	Nil
1968-69	5,917,382	2,399,605
1969-70	5,451,832	Nil

3. All farmers in the Prairie Provinces who do not purchase crop insurance policies under federally supported, provincially operated crop insurance programs or who are not otherwise excluded by the Prairie Farm Assistance Act and Regulations may become eligible for PFAA. payments.

4. This information will not be available until seeding of insurable crops is completed in the Prairie Provinces.

VANCOUVER INTERNATIONAL AIRPORT

Question No. 1,255—**Mr. Goode:**

What was the number of aircraft movements at Vancouver International Airport for each year 1968, 1969 and 1970?

Mr. Gérard Duquet (Parliamentary Secretary to Minister of Transport): The number of aircraft movements at Vancouver International Airport for the following years were: 1968, 152,642; 1969, 169,602; 1970, 149,521.

COMPLAINTS UNDER THE FEMALE EMPLOYEES EQUAL PAY ACT

Question No. 1,265—**Mr. Fairweather:**

1. How many complaints have been made by virtue of the Female Employees Equal Pay Act since Parliament passed the Act in 1956?

2. What is the average period of time taken to settle claims under the Act?

[Mr. Thomson.]

3. What is the longest period of time taken to settle a claim under the Act?

4. Are plans being considered which would facilitate processing and disposition of claims?

Hon. Bryce Mackasey (Minister of Labour): 1. Eighteen.

2. Average period of time elapsing from receipt of complaints to date final action is taken: approximately 23 weeks.

3. Fifty-one weeks.

4. Bill C-228 now before Parliament proposes to repeal the Female Employees Equal Pay Act, and include equal pay legislation as an amendment to the Canada Labour (Standards) Code. These legislative changes, and related administrative changes, will facilitate the handling of complaints.

HALIFAX HARBOUR—FIRE BOATS

Question No. 1,285—**Mr. McCleave:**

1. Is a fire boat being built for use in Halifax Harbour and, if so, what design will be used?

2. Who is the owner of the design, and what was paid for its use by the government?

3. What is the age of other vessels built on this design?

4. Were Canadians approached to determine whether designs were available in this country and, if so, who are they?

Hon. Donald S. Macdonald (Minister of National Defence): 1. No.

2, 3 and 4. Not applicable.

COST OF BUTTER STORAGE

Question No. 1,294—**Mr. Lambert (Bellechasse):**

What was the total paid by the Canadian Dairy Commission for the storage of butter during the fiscal years 1968-1969 and 1969-1970 to (a) Coopérative Agricole de Granby, (b) Vermette et Fils, Saint-Agapit, Québec?

Hon. H. A. Olson (Minister of Agriculture): The total paid for storage of butter was $972,493.93 in 1968-69 and $1,659,645.68 in 1969-70. Details of payments to individuals or firms are confidential.

LIFT PROGRAM

Question No. 1,298—**Mr. Lambert (Bellechasse):**

1. What was the total paid by the government to Western farmers during the fiscal year 1970-1971 under the seed-bed reduction program?

2. In 1970, what was the total number of acres not seeded under this program?

Hon. H. A. Olson (Minister of Agriculture): 1. $57,310,319.

2. Farmers who submitted applications for payments under this program reported that their 1970 acreage seeded to wheat was 11,833,932 acres less than their acreage seeded to that crop in 1969.

VALCARTIER MILITARY CAMP—SUPPLIERS OF HEATING OIL

Question No. 1,311—**Mr. Godin:**

1. During the past three years, what company supplied heating oil to the Valcartier Military Camp?

Inquiries of the Ministry

2. During each year, what was the price paid per gallon?
3. What is the usual duration of such contract?

[*Translation*]

Hon. Donald S. Macdonald (Minister of National Defence): 1 and 2.

Fuel Oils

Year	Type 1	Type 2	Type 6
1968-69	Shell at $0.1258/gal	Texaco at $0.1153/gal	Shell at $0.0718/gal.
1969-70	Imperial Oil at $0.1238/gal	Texaco at $0.143/gal	Canadian Import at $0.065/gal.
1970-71	Golden Eagle at $0.128/gal	Golden Eagle at $0.111/gal.	Canadian Import Quebec at $0.1171/gal.

3. One year.

[*English*]

QUESTION PASSED AS ORDER FOR RETURN

AIR CANADA—TOTAL GOVERNMENT EXPENDITURE ON AIR TRAVEL

Question No. 590—**Mr. Mazankowski:**

By department, what was the total expenditure on Air Canada travel for the fiscal years 1967-68, 1968-69 and 1969 to November 30, 1970?

Return tabled.

MOTIONS FOR PAPERS

Mr. J. A. Jerome (Parliamentary Secretary to President of the Privy Council): Mr. Speaker, notices of motions Nos. 205 and 218 are acceptable to the government subject to the usual reservation concerning confidential documents and the authorization of the government authorities concerned.

[*Translation*]

Mr. Speaker: Subject to the conditions stated by the Parliamentary Secretary, is it the pleasure of the House that Notices of Motions Nos. 205 and 218 be deemed to have been adopted?

Some hon. Members: Agreed.

[*English*]

CORRESPONDENCE PERTAINING TO FUTURE OPERATIONS OF ALBERTA NEW START CORPORATION

Motion No. 205—**Mr. Yewchuk:**

That an humble Address be presented to His Excellency praying that he will cause to be laid before this House a copy of all documents, memoranda, correspondence, etc., exchanged between the Government of Canada and the Province of Alberta, pertaining to the future operations of the Alberta New Start Corporation.

Motion agreed to.

COPY OF SURVEY ON HYDRO-ELECTRIC POTENTIAL OF CENTRAL YUKON TERRITORY

Motion No. 218—**Mr. Howard (Skeena):**

That an Order of the House do issue for a copy of the survey conducted by T. Ingledow and Associates Limited on the hydro-electric potential of the central Yukon Territory.

Motion agreed to.

Mr. Jerome: I ask, Mr. Speaker, that the remaining notices of motions for papers be allowed to stand.

ORAL QUESTION PERIOD

[*Translation*]

NATIONAL DISASTERS

ST. JEAN-VIANNEY—EXPRESSION OF SYMPATHY TO STRICKEN FAMILIES—GOVERNMENT ASSISTANCE

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, before voicing my first question, may I ask the Prime Minister whether he would make a statement concerning the disaster which occurred last night at St. Jean-Vianney, near Chicoutimi?

On behalf of the official opposition I wish to extend our most sincere sympathy as well as our pledge of solidarity to the stricken families.

Right Hon. P. E. Trudeau (Prime Minister): Yes, Mr. Speaker, I certainly can answer this question.

As soon as the federal government heard the news, I sent a telegram to the mayor of St. Jean-Vianney, in which I stated the utter dismay of this government and of the Canadian population generally. I discussed the matter at length this morning with the hon. member for Lapointe (Mr. Marceau) and with the Minister of National Defence (Mr. Macdonald) and it seems that units of the Canadian Armed Forces are already there busy with rescue operations. There are helicopters and medical support staff on the scene. They are acting on a voluntary

basis for the moment, since specific requests have not yet reached the federal government.

I should say also that the affected homes are insured for the most part under the National Housing Act. The minister responsible for Housing and Urban Affairs is aware of the situation and has sent representatives there.

For the moment, the government has indicated its complete desire to help the victims. Units of the Canadian Forces are on the spot, as I said earlier, and we are expecting further reports from our staff. And if, of course, requests come in from the municipal or provincial government, the federal government is ready to help as much as possible.

Mr. Stanfield: Mr. Speaker, I should like—

Mr. David Lewis (York South): Mr. Speaker—

Mr. Speaker: Does the hon. member for York South have a supplementary question?

Mr. Lewis: Mr. Speaker, on behalf of my colleagues and in my own name I would like to express our sympathy to the families of the victims of this disaster.

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, may I also proffer my sincere condolences to the afflicted families of St. Jean-Vianney. I know that locality very well having visited it on several occasions. I also express my condolences to the representative for the riding which includes St. Jean-Vianney. I am sure the whole population of Canada was dismayed this morning on learning the bad news.

Mr. Gilles Marceau (Lapointe): Mr. Speaker, I want to thank my colleagues, on behalf of the people of St. Jean-Vianney, who will certainly appreciate very much the fact that the members of the House of Commons sympathize with them in the terrible disaster they have just suffered.

I should like to extend officially my heartfelt condolences to the stricken families and to inform this House of the magnitude of the disaster. There were 34 houses completely buried, 25 casualties and more than $2 million worth of damages.

Therefore, I urge the government to take speedy action, in these circumstances, and I intend to ask as soon as possible for financial assistance from the government.

* * *

[*English*]

FINANCE

CO-ORDINATION OF ECONOMIC IMPACT OF GOVERNMENT DEPARTMENTS

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I should like to ask the Minister of Finance whether, in view of the emphasis given to the matter by the chairman of the Economic Council of Canada and others, he proposes to adopt any new measures to assure a greater co-ordination of the economic impact of the various departments of the government in which he is Minister of Finance?

[Mr. Trudeau.]

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, with respect to the economic impact of the various departments that are in the economic field, the government believes that there is ample co-ordination at the present time in that there is constant consultation between the ministers involved and they are on a committee which deals with economic matters.

Mr. Stanfield: In view not only of the emphasis placed on this question yesterday by the chairman of the Economic Council but also the emphasis placed on it by the Atlantic Provinces Economic Council, will the minister not treat it as an urgent matter to re-examine the co-ordination, or is he in fact satisfied to have the efforts of his colleague, the Minister of Regional Economic Expansion, offset by his own rather hamhanded efforts?

Mr. Benson: Mr. Speaker, without referring to hamhanded efforts, on which the hon. gentleman across the way is an expert, I would simply like to say that we are constantly looking at the co-ordination of policies.

INCLUSION OF LONG-TERM PROJECTIONS OF ECONOMIC TARGETS IN BUDGET

Mr. Les Benjamin (Regina-Lake Centre): Mr. Speaker, in view of the remarks of the chairman of the Economic Council may I ask the Minister of Finance whether it is his intention when he brings down his budget to make in addition to short-term projections, long-term projections of economic targets?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I would simply like to say that the hon. member will have to wait for the budget speech.

* * *

POWER

PROPOSED JAMES BAY HYDRO-ELECTRIC PROJECT—DISCUSSIONS WITH QUEBEC FINANCE MINISTER ON METHOD OF FINANCING

Mr. David Lewis (York South): Mr. Speaker, I have a question for the Minister of Finance. I realize that the development of the James Bay project which is being discussed is a provincial matter, but in view of its importance to the entire economy I would like to ask the Minister of Finance whether there have been any discussions between the federal and provincial governments, and particularly between himself and the Minister of Finance of Quebec regarding the method of financing this very expensive project over the next ten years?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, there have not been such consultations to date but I should indicate that the government is very much interested in the matter and I presume we will be discussing the financial effects on the Canadian economy in due course.

Mr. Lewis: Will the minister inform the House whether he will take the initiative to have such discussions in

view of the project's importance to economic conditions generally and particularly to the monetary situation? Would he also consider using his Canada Development Corporation, the legislation for which is now before a parliamentary committee, for the purpose of assisting this development with Canadian funds?

Mr. Benson: Mr. Speaker, before I could answer such a question I would have to know a great deal more about the project than I presently do. My knowledge is limited, as is the hon. member's, to what has been printed in the newspapers.

PROPOSED JAMES BAY HYDROELECTRIC PROJECT—RESEARCH INTO ECOLOGICAL AND ENVIRONMENTAL CONSEQUENCES

Mr. David Lewis (York South): Mr. Speaker, in the absence of the Minister of Fisheries and Forestry who, according to the Prime Minister's roster, was scheduled to be here today—I am sure he is away for good reason—may I ask the Prime Minister whether the government, the Minister of Fisheries and Forestry or some agency of government has gone into the ecological problems involved in the James Bay development and the way in which some research might be done, as suggested by one of the members of the Quebec cabinet, I think Dr. Goldbloom, into the ecological and environmental consequences of the project?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as the hon. member knows, the Minister of Fisheries and Forestry is engaged in British Columbia in receiving the Queen and helping her see that part of our country.

As far as relations between the government of Quebec and ourselves on this matter are concerned, I believe the only contact to date was with regard to the matter of energy itself. I know there has been some involvement between the National Energy Board and provincial officials on some aspect of this matter. As far as the ecology is concerned, like the Minister of Finance I am not aware of any request having been made by the province to the federal government. I do know, as does the hon. member, that Dr. Goldbloom has indicated the interest of his government from the point of view of the ecology. Certainly the federal government will also want, in so far as it is under its jurisdiction, to involve itself in any matters relating to the ecology.

PROPOSED JAMES BAY HYDROELECTRIC PROJECT—DISCUSSION WITH QUEBEC ON DIVERSION OF WATERS

Hon. Robert L. Stanfield (Leader of the Opposition): I should like to ask the right hon. Prime Minister whether there has been any discussion with the province of Quebec about the diversion of waters and also whether it is the intention of the government to refer this whole matter to the committee of the House chaired by the hon. member for Esquimalt-Saanich?

[*Translation*]

PROPOSED JAMES BAY HYDROELECTRIC PROJECT—REQUEST FOR FEDERAL ASSISTANCE

Mr. Speaker: Does the hon. member for Joliette wish to put a supplementary question?

Mr. Roch LaSalle (Joliette): Yes, Mr. Speaker.

I should like to put a supplementary question to the Minister of Regional Economic Expansion.

In view of the importance of the James Bay project, could the minister at least assure the Quebec government that representations will be made to this government with regard to the issuance of special credits for the construction of the substructure required for this project?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Mr. Speaker, if the province so requests, we will doubtless study the matter carefully.

[*English*]

Mr. J. P. Nowlan (Annapolis Valley): A supplementary question. Having regard to the example of co-ordination of government policies, my question has been partially answered by a couple of the supplementaries but from the answers of the Prime Minister and the Minister of Regional Economic Expansion are we to understand that there has been no specific request, especially involving the Minister of Regional Economic Expansion, in regard to this rather large project?

Mr. Marchand (Langelier): No, Mr. Speaker.

PROPOSED JAMES BAY HYDROELECTRIC PROJECT—PROTECTION OF RIGHTS OF INDIANS

Mr. Frank Howard (Skeena): I should like to direct a supplementary question to the Minister of Indian Affairs and Northern Development in his capacity as protector of the rights of Indians. In light of the objection by Chief Maxwell Gros-Louis, Secretary of the Indian Association of Quebec, that the James Bay power project will encroach upon the territorial and aboriginal rights of the Indian people there, will the minister on behalf of the government of Canada intervene to protect the rights of the native Indian people in that area?

[*Translation*]

Hon. Jean Chrétien (Minister of Indian Affairs and Northern Development): Mr. Speaker, I have asked my officials to look into the matter and as the hon. member knows, there is a committee composed of Indians and provincial and federal officials which studies all problems pertaining to Quebec Indians, and I hope that this tripartite committee will be in a position to study the problem as quickly as possible to ensure that Indian rights are preserved.

[*English*]

Mr. Speaker: Order, please. The Chair will recognize a last supplementary on this subject and then go to the hon. member for Témiscamingue.

[*Translation*]

In a few moments, the Chair will recognize the hon. member for Skeena.

[*English*]

Mr. Howard (Skeena): With respect to the committee to which the minister referred, are there any plans for that committee to meet immediately to go into this question?

[*Translation*]

Mr. Chrétien: Mr. Speaker, I do not know whether an immediate meeting is scheduled between the parties concerned, but since the Quebec government announced this decision only a few days ago, I have not had time to contact the members of the committee. I shall, however, ask the government to place this item on the orders of the day.

* * *

CANADIAN BROADCASTING CORPORATION

TIME ALLOTTED TO CONVENTIONS OF PARTI QUÉBÉCOIS AND RALLIEMENT CRÉDITISTE

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I wanted to direct a question to the Secretary of State, but I believe that I should perhaps rather make this a question of privilege.

On March 25, I had question No. 1,219 put on the order paper. It reads in part as follows:

1. How much time did CBC allocate to the provincial conventions of (a) Parti Québécois in February 1971 (b) the Ralliement créditiste—Quebec in March 1971,—

Now, I have just received the answer which prompts me to ask the Secretary of State the following question:

To Quebec separatists, the CBC granted five hours and five minutes of television and radio time compared with only 40 minutes of radio time to the Créditistes, and I would like to know whether the minister is willing to tell or request the CBC to give the various Canadian political parties at least as much consideration as the Canadian separatists?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the answer to the latter part of the question is obvious. It is "yes". The answer to the first part of the member's question is that the CBC only gave facts without any sort of expounding and I believe it is my duty, as spokesman for the Corporation in the House, to ask first what is the explanation for the disproportion noticed by the hon. member, disproportion with which I myself was struck, when I let him have the answer.

Mr. André Fortin (Lotbinière): I should like to put a supplementary question to the Secretary of State, Mr. Speaker.

Since he considers himself the spokesman for the CBC in the House, could he not take the same opportunity to inquire how come there were 27 technicians at the convention of the Parti Québécois, and only one at that of the Ralliement créditiste?

[Mr. Speaker.]

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

I would ask the minister responsible for the CBC whether the broadcast time allotted by the CBC on the occasion of a convention, is primarily based on the importance of each political party?

* * *

[*English*]

AGRICULTURE

INTERPROVINCIAL MARKETING—FEDERAL POSITION IN PROCEEDINGS BEFORE SUPREME COURT RESPECTING VALIDITY OF PROVINCIAL REGULATIONS

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I should like to ask the Minister of Justice whether the government has yet come around to making up its mind as to the position it will take in the forthcoming reference in a few days before the Supreme Court of Canada involving provincial regulations which improperly restrict the free interprovincial flow of agricultural commodities? Will the government, as the guardian of the constitution for all Canadians, reassure them that it will clearly and unequivocally oppose such regulations?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the federal government will be represented by way of intervention in that case, as I told the House last week, and I can assure my hon. friend that the constitution will be well represented by counsel.

Mr. Baldwin: Since the current crisis has come about because of the government's failure to act courageously, will it not state what it intends to do?

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

Mr. Woolliams: Mr. Speaker, I wish to ask a supplementary question.

Mr. Speaker: Order, please. The Chair has recognized the hon. member for Egmont.

* * *

YOUTH

OPPORTUNITIES FOR YOUTH PROGRAM—INCREASE IN AMOUNT OF MONEY ALLOCATED—METHOD OF ANNOUNCING ACCEPTANCE OF PROJECTS

Mr. David MacDonald (Egmont): Mr. Speaker, may I direct a question to the Secretary of State. Earlier a number of questions were directed to the minister with regard to the adequacy of funds for the Opportunities for Youth program. Can the minister report whether more funds will be made available in light of the very large number of submissions and indicate the amount of funds needed in order to make possible the acceptance of at least some greater number of the submissions that have been placed before the government?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Yes, in a very short while, Mr. Speaker.

[*English*]

Mr. Speaker: The hon. member for Egmont on a supplementary.

Mr. Woolliams: Mr. Speaker, I rise on a point of order. My point of order is that many times in your rulings, with great respect, you say that our questions are argumentative. I say to Your Honour, with respect, that, when answers are argumentative and evasive and we try to ask further supplementary questions, surely your rulings should apply to all equally.

Mr. Speaker: Order, please. The hon. member may make this argument. The hon. member will recognize that it is the responsibility of the Chair to indicate when he thinks an answer or a question is argumentative. The hon. member sought the floor a moment ago to ask a supplementary question. He will be recognized in a moment. The Chair had recognized the hon. member for Egmont and I will, with pleasure, return in a moment to the hon. member for Calgary North. The hon. member for Egmont.

Mr. MacDonald (Egmont): Mr. Speaker, may I direct my supplementary question to the Secretary of State. Since a number of projects are now being announced on a day to day basis, can the minister indicate whether they are being announced at random or whether there is some system under which these projects are being publicly announced, in order that some of the uncertainty related to these projects may be dispelled?

[*Translation*]

Mr. Pelletier: Mr. Speaker, I am not sure whether I understand the import of the member's question, but I can say that the announcements are made in a systematic way. In the first place, we communicate with the promoters of a project and send them a form for the conclusion of an agreement under which they undertake, for a grant, to perform certain works included in their project and it is only after conclusion of the agreement that a public announcement is made. However, as I have just said, there is some hidden meaning to the hon. member's question which I did not catch.

[*English*]

OPPORTUNITIES FOR YOUTH PROGRAM—ALLOCATION OF FUNDS TO CONSTRUCT SATELLITE CITY IN NORTH

Mr. Erik Nielsen (Yukon): Mr. Speaker, may I direct a supplementary question either to the Secretary of State or to the Minister of Indian Affairs and Northern Development. Have any of these funds been allotted to the idea expressed by the Prime Minister in Vancouver, the construction of a satellite northern city to be erected by 10,000 young Canadians? If so, can the Minister of Indian Affairs and Northern Development indicate what purpose that city would serve and whether the location has been selected?

Mr. Baldwin: That is for net social benefit.

Mr. Nielsen: Mr. Speaker, since neither of the ministers responsible in this area is prepared to answer, perhaps the Prime Minister would inform the House whether the government has seriously considered his idea of the erection of a satellite city in northern Canada? If so, have funds been allotted for this purpose, and what purpose would the city serve?

Right Hon. P. E. Trudeau (Prime Minister): No, Mr. Speaker, the matter has not been seriously considered by cabinet, but if the hon. member wants to submit any projects we will study them seriously.

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. I think the hon. member for Calgary North has a supplementary to a previous question.

* * *

AGRICULTURE

INTERPROVINCIAL MARKETING—INSTRUCTIONS TO FEDERAL COUNSEL IN PROCEEDINGS BEFORE SUPREME COURT

Mr. Eldon M. Woolliams (Calgary North): Mr. Speaker, my question arises out of the answer given by the Minister of Justice to the hon. member for Peace River. I am sure the Minister of Justice appreciates that it is his responsibility, as he suggested, to see that counsel represents the Department of Justice in the case in question. Has the Minister of Justice instructed that counsel, and what are those instructions?

Hon. John N. Turner (Minister of Justice): Mr. Speaker, the hon. member has accused me of being argumentative and the hon. member for Peace River of being noncommittal. In any event, they can work that one out.

Mr. Baldwin: Evasive is a better term.

Mr. Turner (Ottawa-Carleton): My role is to instruct counsel, and the role of counsel, as the matter is before the Supreme Court of Canada, is to present the case before the court because the matter is before the court. The hon. member will understand the government's position when counsel pleads the case.

Some hon. Members: Oh, oh!

Some hon. Members: Hear, hear!

Mr. Speaker: Order, please. The Chair will recognize the hon. member for Calgary North on a last supplementary. There are not many minutes left before the end of the question period and perhaps we should move on.

Mr. Woolliams: Thank you, Mr. Speaker. I appreciate what the Minister of Justice said about his responsibility, but is there anything confidential about the instructions he has given to the counsel in question? What are those instructions? That is the question.

Mr. Speaker: The hon. member for Nanaimo-Cowichan-The Islands.

Inquiries of the Ministry

THE CANADIAN ECONOMY

USE OF NET SOCIAL BENEFIT RATHER THAN GROSS NATIONAL PRODUCT AS INDICATOR OF PROGRESS

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): Mr. Speaker, may I direct a question to the Prime Minister arising out of his speech in Vancouver in which he suggested that we should place less reliance upon the gross national product and replace it with a more revealing figure, a new statistic which might be called "net social benefit". I wish to ask the Prime Minister whether the government is preparing such an index for determining progress and development in this country, and have instructions gone to the Dominion Bureau of Statistics to set up the machinery for producing such a criterion?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, in a general sense the answer is yes, of course. When the government makes economic decisions, it always tries to put into the balance the social effects of its decisions and not only the economic effects. We do this every time we make a decision. I hope it is not a new notion to the hon. member. I can recall that more than 25 years ago economists were telling us about net national benefit. Apparently it was a surprise to some members of the press too. It is not a new motion. It is one which is very much in the mind of this government and has been for some years.

As to the second part of the question, whether it could be the subject of instructions to the Bureau of Statistics, the answer is that this is a very difficult suggestion. We do not think that the Bureau of Statistics is the source empowered in Canada to decide social or human benefit. This is the business of the government and, I hope, of the opposition. I am glad they are discovering this even though they are some 25 years late.

Mr. Baldwin: Can you seasonally adjust it?

Mr. Douglas: No one is quarrelling with the idea of having a measure of special progress and social benefit. What I am asking the Prime Minister is whether this is to be merely a nebulous hypothesis which the government uses from time to time—

Some hon. Members: Oh, oh!

Mr. Douglas: —or whether the government is prepared to produce in some statistical form the net social benefit and whether items like unemployment and pollution will be factors which will be contained in such an index?

Mr. Speaker: Order, please. I suggest that the supplementary question, and to some extent the answer given by the Prime Minister, is more in the field of debate. Perhaps the matter might be considered on an occasion other than during the question period.

[*Translation*]

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I should like to put a supplementary question to the Prime Minister.

[Mr. Speaker.]

[*English*]

Does the term "net social benefit" come from the economist Keynes, Samuelson or Eric Kierans?

Some hon. Members: Oh, oh!

[*Later:*]

Mr. Les Benjamin (Regina-Lake Centre): My question is supplementary to one asked earlier by the hon. member for Nanaimo-Cowichan-The Islands. I think I understood the Prime Minister to say that consideration was given to social benefit in government decisions. In view of the drop in net farm income by over $500 million since he became Prime Minister, was due consideration given to social benefit in the programs of the government on agriculture?

Mr. Trudeau: Mr. Speaker, I should point out first that I did not use the term "social benefit" in my speech. I said "human benefit", but I cannot blame hon. members for believing what they have read in the newspapers. With regard to the second point, the answer is yes. Of course there has been a vast increase in social benefits to all Canadians as a result of many of this government's welfare measures.

* * *

FAMILY ALLOWANCES

INQUIRY AS TO INTERIM INCREASE

Mr. Jack Marshall (Humber-St. George's-St. Barbe): My question is for the Minister of National Health and Welfare. In view of the fact that family allowances will not be increased in September, is the minister or the cabinet considering any interim increase to help needy families?

Hon. John C. Munro (Minister of National Health and Welfare): No, Mr. Speaker, that is not under consideration. As I indicated, we are now having discussions and weighing various proposals for changes in family allowances which have been submitted by the general public, interested organizations and the provinces. We hope to use this as a basis to introduce legislation later in the fall.

* * *

HEALTH

INQUIRY AS TO STATEMENT ON BIRTH CONTROL

Mrs. Grace MacInnis (Vancouver-Kingsway): I wish to direct a question to the Minister of National Health and Welfare. In view of the question just asked, when will he be making his statement on birth control and contraception?

Hon. John C. Munro (Minister of National Health and Welfare): I hope to do that tomorrow, Mr. Speaker.

CANADIAN RADIO-TELEVISION COMMISSION

SEPTEMBER TORONTO HEARING—CONSIDERATION OF APPLICATION FOR VHF TELEVISION BROADCASTING

Mr. Hyl Chappell (Peel South): My question is for the Secretary of State. Can the minister say yet whether the CRTC hearing set for September in Toronto will be widened so as to include an application for VHF by television channel 13 which would serve the area much better than the one that will presently be considered?

[*Translation*]

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, instances were made to me by several representatives from Toronto in that regard. I could certainly discuss the matter with CRTC authorities, but I have serious doubts that myself or the government could do anything to change the date of a scheduled hearing by the CRTC.

In any event, I shall talk to the chairman about it.

* * *

[*English*]

AIRPORTS

CHARLOTTETOWN—ACCELERATION OF IMPROVEMENT PROGRAM

Mr. Heath Macquarrie (Hillsborough): I wish to direct a question to the articulate and erudite Minister of Transport. Noting the announcement about the great improvements at Wabush airport in Newfoundland, can the minister now advise what he is doing to accelerate the acquisition of an instrument landing system and new property for the Charlottetown airport where the demand is really great and the need pressing?

Hon. Donald C. Jamieson (Minister of Transport): I agree with the conclusion reached by the hon. member. I cannot answer the question as to dates but I will look into it and give him a written reply.

* * *

[*Translation*]

AGRICULTURE

INTERPROVINCIAL MARKETING—REPRISALS BY QUEBEC—DISCUSSIONS BETWEEN FEDERAL AND PROVINCIAL MINISTERS OF JUSTICE

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I wish to direct a question to the Minister of Justice.

In view of the restrictive measures taken by Ontario with regard to Quebec's FEDCO marketing board for eggs, the Quebec Minister of Justice, Mr. Choquette, has announced that his government would exercise reinforced reprisals against the neighbouring province.

My question is: Has this matter been referred to the Minister of Justice or has he entered into conversations with his Quebec counterpart about this matter?

Hon. John N. Turner (Minister of Justice): No, Mr. Speaker, I did not discuss the matter with the Quebec Attorney General. This question falls in the same category as those recently asked by some Alberta members. The government maintains its position that this problem will be solved with the passing of Bill C-176 by Parliament.

Inquiries of the Ministry

[*English*]

INFORMATION CANADA

REASON THAT FACILITIES NOT USED TO PUBLICIZE CENSUS

Mr. J. P. Nowlan (Annapolis Valley): My question is for the Minister without Portfolio responsible for Information Canada. In view of the fact that Information Canada was established for the purpose of communicating government plans to the people, will the minister explain why the government felt it necessary to contract out the job of publicizing the census to two advertising firms at a total cost of $820,000?

Hon. Robert Stanbury (Minister without Portfolio): Mr. Speaker, Information Canada has never been given a mandate to be the spokesman for the government nor to run the government's advertising program.

* * *

NATIONAL SECURITY

PROVISION OF OPPORTUNITY TO DEBATE ROYAL COMMISSION REPORT

Mr. Erik Nielsen (Yukon): I have a question for the Prime Minister. When is the Prime Minister going to set aside a day for a debate on the report of the Royal Commission on Security so that we can discuss these matters?

Right Hon. P. E. Trudeau (Prime Minister): When we get to the debate on the resolution now on the order paper on the matter of security and relating to the matter which was dealt with by the Public Order (Temporary Measures) Act, I expect the government will be able to participate in this debate and use the time available to make its views known on the matters covered by the Royal Commission on Security.

* * *

[*Translation*]

INQUIRY OF THE MINISTRY

Mr. Pierre De Bané (Matane): Mr. Speaker, I would like to direct a question to the Prime Minister.

I wish to ask him whether he would wish to consider with sympathy the idea of establishing a Social Affairs Council in line with the Economic Council of Canada, in view of his deep interest in all matters relating to social justice.

Mr. Speaker: It seems to me that the supplementary question of the hon. member is rather a suggestion to the right hon. Prime Minister, and he must assume that it will be considered.

Inquiries of the Ministry

[*English*]

THE CANADIAN ECONOMY

PROVISION OF SHORT-RANGE ECONOMIC FORECASTING ORGANIZATION

Hon. Robert L. Stanfield (Leader of the Opposition): I wish to direct a question to the Minister of Finance which I have asked him very earnestly previously. When may we expect the minister to act on the recommendation which has been made for several years by the Economic Council of Canada that a short-range economic forecasting unit should be provided for Canada? I am sure there is no need for me to emphasize the importance of establishing such an organization.

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, I think my hon. friend is referring to an organization outside the government. We have ind cated that we would be willing to give limited support to the establishment of such an organization outside the government. We have indicated that we would be willing to give limited support to the establishment of such an organization but that basically it should be supported by industry in this country.

* * *

REGIONAL ECONOMIC EXPANSION

ATLANTIC PROVINCES—DECISION ON RECOMMENDED REGIONAL TARIFF CHANGES

Mr. James A. McGrath (St. John's East): My question is for the Minister of Regional Economic Expansion. Has the government made a decision yet on the recommendations of the Atlantic Development Council, especially with regard to regional tariff changes and particularly in view of the failure of the regional development policy to operate and fulfil its goal within the present framework of monetary and fiscal policies?

[*Translation*]

Hon. Jean Marchand (Minister of Regional Economic Expansion): No, Mr. Speaker.

[*English*]

Mr. McGrath: Mr. Speaker, perhaps we can now hear from the Minister of Finance who was rising simultaneously with his colleague.

Hon. E. J. Benson (Minister of Finance): No, Mr. Speaker.

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AGRICULTURE

INTERPROVINCIAL MARKETING—GOVERNMENT POLICY

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I direct my question to the Minister of Justice. In his answer a few minutes ago in regard to agricultural products did he indicate that the settled policy of the government is to depend on negotiations between the provinces on trade policy rather than to establish the clear jurisdiction in this area either of the provinces or the federal government?

Mr. Speaker: The hon. member for Mackenzie.

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REGIONAL ECONOMIC EXPANSION

NORTHERN SASKATCHEWAN—APPLICATION FOR GRANT TO CONSTRUCT PULP MILL

Mr. S. J. Korchinski (Mackenzie): Mr. Speaker, I should like to direct a question to the Minister of Regional Economic Expansion. Now that our dear friend has departed from the cabinet—I am speaking about the hon. member for Duvernay—is Premier Thatcher any closer to getting his grant for a pulp mill so he can call an election in June and the Prime Minister can call a by-election in Assiniboia?

Mr. Speaker: The hon. member for Nickel Belt.

Mr. Korchinski: Mr. Speaker—

Mr. Speaker: Order, please. Surely the hon. member is not suggesting to the Chair that the question is in order. The Chair has recognized the hon. member for Nickel Belt.

[*Later:*]

Mr. Speaker: I believe the hon. member for Mackenzie would like an opportunity of rephrasing his question.

Mr. Korchinski: May I ask the Minister of Regional Economic Expansion whether we can expect a decision within the next week on whether Saskatchewan will be given a grant for the pulp mill so that the premier may call an election?

Mr. Speaker: Order, please.

Mr. Korchinski: Mr. Speaker—

Mr. Speaker: Order, please. The hon. member knows he has already had two chances to ask his question.

[*Later:*]

Mr. Speaker: I think the hon. member for Mackenzie, who has had two strikes at the same question, might be allowed a third attempt provided it is the same question.

Mr. Korchinski: Mr. Speaker, I hope it will not be strike three. I should like to direct a question to the Prime Minister. May I ask him whether the calling of a by-election in Assiniboia is contingent upon a general election in the province of Saskatchewan?

Mr. Speaker: The hon. member is out!

[*Translation*]

OFFICIAL LANGUAGES ACT

RECOMMENDATIONS OF CONSULTATIVE COMMITTEE—DATE OF ESTABLISHMENT OF FIRST BILINGUAL DISTRICT

Mr. Gaston J. Serré (Nickel Belt): Mr. Speaker, I should like to direct a question to the Secretary of State.

Does the minister intend to follow up in the near future the recommendations included in the Bilingual Districts Advisory Board report, which was tabled in the House yesterday, and, if so, when can we expect the official creation of a bilingual district in this country?

Hon. Gérard Pelletier (Secretary of State): Mr. Speaker, the government intends to study in the most diligent and the most attentive manner possible the report which was tabled in the House, but I should like to bring to the hon. member's attention paragraph 5 of section 13 which reads in part as follows:

> No proclamation...shall be issued...before...at least ninety days have elapsed from the day a copy of the report was laid before Parliament pursuant to section 17.

This means that the first districts could not be proclaimed under the law before midsummer or late summer.

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POST OFFICE

STATUS OF NEGOTIATIONS WITH FORMER EMPLOYEES OF G. LAPALME INC.

Hon. Martial Asselin (Charlevoix): Mr. Speaker, I wish to direct a question to the Postmaster General.

For well over a year the Lapalme boys have been parading on Parliament Hill in an atmosphere, shall I say, of frustration and humiliation. Does the minister intend once and for all to settle this conflict which in my opinion has become more of a social and humanitarian problem than a mere union conflict?

Is the minister in a position to tell this House that he intends to take the necessary action to re-open this file and to give some kind of satisfaction to the families of these people who are living in misery?

Hon. Jean-Pierre Côté (Acting Minister of Communications): Mr. Speaker, the file is still open. Whenever I have the opportunity, I hire one or two of the Lapalme boys. Some 50 of them are already in my employ. Last December I made an offer whereby just about all of them could have been integrated into the public service, but they refused. I am not the one who is playing politics at the expense of the Lapalme boys.

* * *

[*English*]

PUBLIC SERVICE

CLYNE COMMITTEE RECOMMENDATION FOR WITHDRAWAL OF RIGHT TO BARGAIN COLLECTIVELY FROM CERTAIN EMPLOYEES

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, may I direct a question to the President of the Treasury Board. In view of the concern expressed by many public servants, especially those in professional categories, with respect to the recommendation made by the Clyne committee that quite a number of public servants be taken out of the range of collective bargaining, can the President of the Treasury Board assure us that the government does not intend to take action along that line?

Hon. C. M. Drury (President of the Treasury Board): Mr. Speaker, as I think the House is aware, this whole question is currently under review and should be the subject of specific recommendations, I hope, later on.

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AIRPORTS

COLLINGWOOD—ASSISTANCE IN PAVING OF RUNWAYS

Mr. P. V. Noble (Grey-Simcoe): Mr. Speaker, I should like to direct this question to the Minister of Transport. In view of the urgent necessity for air service in the Georgian Bay area and the bad condition of the runways at Collingwood, is the government prepared to provide assistance for the paving of runways at municipal airports, especially those needed for constant traffic?

Hon. Donald C. Jamieson (Minister of Transport): Mr. Speaker, I will investigate the particular situation to which the hon. member refers and see if there is anything we can do.

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NATURAL RESOURCES

STATUS OF NEGOTIATIONS WITH PROVINCES ON OFFSHORE MINERAL RIGHTS—INQUIRY AS TO LEGISLATION

Mr. Lloyd R. Crouse (South Shore): Mr. Speaker, I wish to direct my question to the Secretary of State. In view of the interest in the ownership of offshore mineral rights, especially in Atlantic Canada, will the minister indicate whether any progress has been made in the negotiations with the provinces on this matter and, if so, whether any legislation will be introduced in the House prior to the end of this sesssion?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, as far as I heard the question I can tell the House that I believe almost two years ago the federal government did make some propositions to the provincial governments regarding the administration and division of profits or revenues from the exploitation of offshore mineral rights. Since then there has been a very long series of consultations with the provinces. There has been some progress, but I think it is fair to say that many provinces have not yet stated their position clearly. Therefore we cannot introduce any legislation until we know the final position taken by the provinces on this matter.

Inquiries of the Ministry

HEALTH

ACTION TO PHASE OUT CIGARETTE ADVERTISING

Mr. Barry Mather (Surrey-White Rock): Mr. Speaker, I have a question for the Minister of National Health and Welfare. If I may revert to an old familiar theme, I should like to ask the minister whether he can indicate what progress is being made toward either an early announcement of legislation or a voluntary agreement by the industry to phase out cigarette advertising?

Hon. John C. Munro (Minister of National Health and Welfare): Mr. Speaker, I can only state to the hon. member, as I have before, that the government has this proposal respecting tobacco under active consideration, and when a decision is made in regard thereto it will be announced in the House.

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[*Translation*]

AGRICULTURE

EFFECT OF FARM PRODUCTS MARKETING BILL ON TRADE BETWEEN ONTARIO AND QUEBEC

Mr. Réal Caouette (Témiscamingue): Mr. Speaker, I want to direct a supplementary question to the Minister of Justice.

Earlier, in answer to my colleague from Bellechasse, the minister said that Bill C-176 would settle the current issue between Ontario and Quebec.

Could the minister be more specific as to how Bill C-176 would settle this situation?

Mr. Speaker: Order. I do not think that the minister should make this statement now. It would be more appropriate to make it on motions.

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INDUSTRY

HEWITT-ROBINS—MEASURES TO PREVENT CLOSING OF COMPANY AND LAY-OFF OF EMPLOYEES

Hon. Théogène Ricard (Saint-Hyacinthe): Mr. Speaker, my question is for the Minister of Regional Economic Expansion.

Has the minister received any representations from the Quebec Minister of Industry and Commerce in favour of preventing the closing of the Hewitt-Robins (Canada) Ltd. plant in Saint-Laurent so as to enable 60 Canadian workers to keep their jobs?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Personally, I cannot remember, Mr. Speaker. I shall inquire from the department in case these representations have not reached my office.

[Mr. Trudeau.]

[*English*]

CAPE BRETON DEVELOPMENT CORPORATION

INQUIRY AS TO NAMES OF NEW CHAIRMAN AND VICE-PRESIDENT OF INDUSTRIAL DEVELOPMENT BRANCH

Mr. Robert Muir (Cape Breton-The Sydneys): Mr. Speaker, my question is also for the Minister of Regional Economic Expansion, and I am sure he will agree with me that it is urgent and pressing. It is with reference to the vacant position of chairman of the Cape Breton Development Corporation. Prior to the Easter recess the minister indicated that an appointment would be made very soon, and might even be made during the recess. Is the minister yet in a position to announce the name of the new chairman of the Cape Breton Development Corporation and also the vice-president of the industrial development branch?

Hon. Jean Marchand (Minister of Regional Economic Expansion): Unfortunately, Mr. Speaker, no, not yet.

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NATIONAL REVENUE

POSSIBLE REMOVAL OF ESTATE AND GIFT TAX OFFICES FROM SASKATCHEWAN

Mr. John Burton (Regina East): Mr. Speaker, I should like to direct my question to the Minister of National Revenue. Would the minister indicate whether his department is considering closing, or has made any decision to close, the estate and gift tax section offices in Saskatoon and Regina and transfer them to Calgary and Winnipeg respectively?

Hon. Herb Gray (Minister of National Revenue): Mr. Speaker, the office will remain where it is now.

• (3:00 p.m.)

GOVERNMENT ORDERS

PRAIRIE GRAIN ADVANCE PAYMENTS ACT

AMENDMENTS RESPECTING RATE PER BUSHEL, EMERGENCY PAYMENTS, EXTENSION OF APPLICATION TO RYE, FLAXSEED AND RAPESEED

The House resumed, from Tuesday, May 4, consideration of the motion of Mr. Lang that Bill C-239, to amend the Prairie Grain Advance Payments Act, be read the second time and referred to the Standing Committee on Agriculture.

Mr. Don Mazankowski (Vegreville): Mr. Speaker, I wish to participate in the debate simply to say that this bill represents yet another of the government's measures which will add insult to injury for the farmers of western Canada. I was amazed when the minister talked about the government's great revolutionary provisions to

assist western farmers. This bill is consequential upon the inherent policy the government has adopted; it is simply another measure to sink the western grain farmer into complete oblivion.

This bill is based upon over-all government philosophy which is designed to remove two-thirds of the farmers from the agricultural industry by 1990. That is the government's solution or cure for the ills agriculture is suffering today. This has been spelled out abundantly by the task force on agriculture and is closely related to the philosophy expressed by the Prime Minister (Mr. Trudeau) and the ministers responsible for discharging agricultural policy. As a result of this policy announced by the task force and the Prime Minister in June of 1968, we were faced with Bill C-176. That was more than a year ago. It was misleading in that it suggested it would cure the major difficulties faced by the producers, particularly in the field of marketing. By reading between the lines one can realize that this was nothing more than another form of bureaucratic control with the decisions of farmers being abridged and placed in the hands of an all-powerful council appointed by the minister.

We note in this bill also an adamant attempt by the government to gain control of the beef industry. This industry is one of the few which has survived without government interference. In spite of the promise of the Minister of Agriculture (Mr. Olson) to cattlemen that he would protect the industry, we find that as a result of the provisions of Bill C-176 the industry can be taken over. This was either a deliberate attempt to mislead the cattlemen or an indication that he has lost the confidence of his colleagues. We now witness massive public concern by the agricultural industry toward this bill. People are writing to members of the House urging us to detain its passage. They are concerned because this is another deliberate attempt to interfere with their right to make decisions.

The stabilization program announced some time ago by the minister was headlined by the statement that western farmers were to receive $100 million. This was misleading in that the program was designed on the basis of a rearrangement of payments. The minister must know very well that in 1968-69, as a result of revisions to the Temporary Wheat Reserves Act and the covering of losses in pool accounts about 130 million were put into the federal treasury. I suggest this is simply a rearrangement of financial affairs respecting the storage and sale of grain. For one to go about this country suggesting that farmers are getting an additional 100 million is downright misleading; it is sheer nonsense. The farmers will not be misled or trapped into believing this. The new quota system disregards the small family farm. We are basically concerned about these entities. I am sure many others in this House share my view that a small, mixed farm operator is still the most efficient farmer and contributes greatly to society.

In this bill we note, in addition to the new quota system, provision for the removal of the unit quota system which was a safeguard to the small producer. The 400-bushel unit quota gave the small operator breathing space in which to meet his current expenditures. This is being withdrawn. This is further proof that Bill C-239 is another step toward the eradication of the small farm operation in Canada. This can be compared with the policies of the Canadian Dairy Commission which became effective in 1967-68 and resulted in a decrease of about 50 per cent in registered dairy producers. In addition to this reduction and because of regional rationalization we have experienced the phenomenon of 80 per cent of our dairy products being produced in the two central provinces. This has caused severe hardship to the farmers of western Canada.

Let us also consider the application of the Lift program. At the commencement of this scheme farmers were to receive somewhere between $100 million and $150 million. We now find that there has been only some $55 million distributed under this program, resulting as well in huge administrative costs. In my own constituency some 40 per cent of the producers have participated in the Lift program. This program was, again, designed to help the large producer to the detriment of the small producer. Again we find in the program now being considered by the government another step toward the reduction in the number of small farm producers. This is spelled out very clearly. Obviously, this government wants to get rid of the small farm operation. This is also true of the farm adjustment and consolidation program announced some time ago by the minister.

We are frightened by these government policies because we envisage emerging from them a form of collective or communal-type farming. Under the adjustment program we will have more counselling and information services than we can shake a stick at. We will have rural counselling services, management farm services and agricultural adjustment services. The services provided by the farm adjustment program is different from the counselling provided by management specialists. Farmers need advice on how to maintain their small operations rather than having them taken over to facilitate the build-up of large entities. We envisage these programs as nothing more than a means of legislative merging. It becomes obvious that this government is dedicated to a program designed to eliminate the small farm.

There is no secret that there is a critical shortage of cash available to farmers in western Canada. We see the desperate shortage at this time when many producers are faced with heavy expenditures in respect of their planting and cultivating operations. Repayment of cash advances has caused them very severe hardship. I urged the minister to consider placing a moratorium on these advances until the movement of grain and sales were such that there would be sufficient capital generated to meet the advance payments, but the minister chose to embark upon another course.

• (3:10 p.m.)

With this measure we see a further strangulation of the small producer. Rather than his position being improved, we see any measurable benefit that was contained in the original legislation being removed. Under

the present act the producers know what they are entitled to, because it is spelled out specifically and categorically. Under the proposed legislation they will not know this. Here again we see the Governor in Council emerging as the all-powerful authority: decisions are not always based on economics and in many respects are political.

Producers will not know exactly what they will get. On page 6 of the bill we see that the Governor in Council shall prescribe as the advance payment rate per bushel for a kind of grain in a crop year a rate that in his opinion approximates 66⅔ per cent of the initial payment that will be payable in that crop year for the prescribed grade of that type of grain. We do not know what the maximum will be because we do not know what the quotas will be. This creates a mood of uncertainty which makes it very difficult to embark upon any program of planning. In agriculture today one of the greatest pitfalls is lack of planning in production and the economic balance of each farm unit.

Under the present act the interest rate is fixed. Now we see the Governor in Council is to prescribe the interest rate. This, again, makes planning difficult. As I mentioned before, we now see that the unit quota is gone forever. The bill makes specific mention of that. I reiterate that the unit quota was the salvation of the small producer. For example, in my constituency of Vegreville, in answer to this question which I had circulated, "Do you feel the unit quota should be retained?" 71 per cent of the respondents said "Yes." Mine is a mixed farming riding and this response is an indication of the feelings of the farmers in respect of the unit quota system. It has been a good thing. I would urge the minister, throughout the debate on the stabilization program which we shall have in the near future, to give serious consideration to incorporating the unit quota system in one form or another, because failure to do this will speed-up the rationalization process which we see taking place so obviously today and which is playing havoc with the rural communities of western Canada.

In his press release the minister said that another season for amending the act was to give producers a better opportunity to repay advances in the crop year in which such advances were obtained. If sales and deliveries had been made, the advances would have been repaid. That is the problem. The producers who have obtained advances have found themselves in the position of prolonged indebtedness. Why? The answer is very clear: the farmers are desperately short of cash because they have not been able to sell grain. It is that simple.

Let us consider the Canadian Wheat Board annual report for 1969-70. I hope the minister in his remarks will be able to throw some light on this problem. We find that a number of contracts remain outstanding. I would be interested in knowing why some of these contracts are outstanding, whether they will be fulfilled and just what position the Canadian Wheat Board is taking. For example, in 1966 Russia negotiated a three-year agreement calling for the sale and purchase of 336 million bushels of wheat and flour, yet as at July 31, 1970, 66.1 million bushels remained outstanding under that contract. The contract has expired.

The People's Republic of China has 66.2 million bushels outstanding from a total commitment in 1969 of 82.1 million bushels. With regard to Eastern Europe we find that Bulgaria, with a commitment of 7.3 million bushels in October, 1969, has outstanding purchases of 5.4 million bushels as of July 31, 1970. We see that Poland has a 33.1 million bushel contract which was due to expire on November 4, 1969, and yet 6.6 million bushels are still outstanding in that commitment. The German Democratic Republic continued in default of its long-term agreement with 5.3 million bushels of wheat outstanding.

We have heard a great deal about the resurgence of sales made possible by the government's new credit program. Under this new program we have made a few agreements but very little in the form of deliveries, and as a result very little cash has been distributed among the farms of western Canada. For example, Peru failed to meet its commitment of 8.4 million bushels. This information is found on page 14 of the Canadian Wheat Board report. Brazil, which negotiated an agreement for 33.1 million bushels for the period June 1, 1970, to May 31, 1974, has not yet exercised its delivery option for any part of the contract.

The Philippines were to have purchased 5.6 million bushels between January 1 and December 31, 1970, yet no portion of this delivery has been made. Syria agreed to purchase 29.4 million bushels for the three years ending March 31, 1973, but 25.4 million bushels remain outstanding. The United Arab Republic, out of a total commitment of 18.4 million bushels which was to have terminated in October, 1970, still has an outstanding commitment of 15.2 million bushels. In total this amounts to 186 million bushels of wheat most of which is outstanding over and beyond the contracts.

These long-term contracts were splashed over the press and other news media. We were told that Canada had made another great sale. In view of this I was asked by farmers why they only have a four or five-bushel quota. The answer is simple: many agreements are being made, but not too many sales. What is happening? Are these countries using Canada as a hedging device? Are they making long-term agreements and then going out and purchasing elsewhere because they believe Canada is a good country and if they go beyond the expiry date of the contract they will still be able to get delivery at the original price? If this is what is happening, I suggest the minister should look into the matter. I hope he has some answers, because I believe this is another misleading device which has been perpetrated upon western farmers and leads to a false sense of optimism.

• (3:20 p.m.)

You cannot distribute the cash if you are not delivering the goods; you cannot ring it up on the till. I suggest that it is high time we got rid of the public fanfare, the gimmicks and the falsified sales promotions which have taken place. We should start talking about the genuine sales, the genuine deliveries, those for which we are

receiving payment and then we can institute a more realistic program of planning.

I was speaking on the telephone yesterday with the president of the Palliser Wheat Growers' Association. He told me it is now common knowledge throughout the international marketplace that Canada is no longer the logical country from which to buy wheat because of our inability to deliver and to fill the ships when they arrive. I also understand from the Palliser Wheat Growers' Association that the Canadian Wheat Board is now turning down sales of wheat because of their inability to deliver. I think the minister should comment on this situation and the facts should be placed before us.

A trade group has been studying the handling and transportation of prairie grain. What has happened to its report? Is it too embarrassing for the minister to reveal? Perhaps it is. I suggest to you, Mr. Speaker, that the problem with the grain trade today is not one of advances but of sales. I understand, also, that Iraq was in touch with the Palliser Wheat Growers' Association to see if they could assist them in the negotiation of an agreement involving 100,000 tons of wheat to be shipped to their country because they could not break through the crust of bureaucracy surrounding the Canadian Wheat Board.

This is a shame, because the success or the failure of the Prairie economy is to a large degree contingent upon the sale of wheat. When we look at the export figures for 1969, we find out that Canada for the first time in history became a net importer of agricultural products to the tune of some $35 million. This is a horrible situation for a country like Canada, a country which has the agricultural potential, the resources, the know-how and the technology. The source of the problem in handling facilities lies with our railroads, terminal and collecting facilities.

Mr. Lang: I rise on a point of order, Mr. Speaker.

Mr. Speaker: I apologize for interrupting the hon. member, but the minister is rising on a point of order.

Mr. Lang: I think I should draw to Your Honour's attention the manner in which the hon. member is straying from the bill before us. I recognize that there are three bills before the House in a group. If it is his intention to speak on them all at once, that would be a special situation. But what he is saying has nothing to do with the subject before us.

Mr. Mazankowski: May I say with all due respect, Mr. Speaker, that the sale of wheat certainly has something to do with the Prairie Grain Advance Payments Act, because if we had a minister in charge of the Wheat Board who would get off his fat fanny and provide the necessary leadership to sell and promote sales, we would not need this legislation.

Mr. Lang: We are having a record year.

Mr. Horner: Why don't you fill up the storage space?

Mr. Mazankowski: It is not a record year for the farmers of western Canada, believe me. It is a record deficit year for them. I suggest that the minister should go out west and do a little appraising. I am sure he would find that I am speaking the truth. The matter with which I am dealing has a great deal of bearing upon our ability to deliver.

Another thing that affects the whole question of advance payments and items relating to the sale and marketing of wheat is the Menzies report, this government's proposal, which indicated a desire to decrease the amount of grain in commercial storage and terminal storage positions. This, again, reduces the amount of cash available to the Prairie economy. I do not know exactly by how much the amount has been reduced, but it is probably in the order of 75 million to 100 million bushels, which means there is roughly $150 million less in the Prairie economy today than there was a year ago.

The Menzies report recommends the reduction of 250 million to 300 million bushels to be carried in commercial storage positions. This might be well and good if sales were made in fact, but if they are made simply on paper, such as those to which I have referred, it will not do the western farmer much good.

This bill, as I have said, is completely in line with other pieces of agricultural legislation. These pieces of agricultural legislation, this bill included, are not in conformity with the wishes of the vast majority of producers. I warn the government that a bill like this will do very little to placate the western farmer, to alleviate the apprehension, the frustration and the disenchantment that he is experiencing under this government. A bill like this will merely disturb him.

I urge the minister responsible for the Wheat Board and the Minister of Agriculture to very seriously consider the impact that these pieces of legislation will have on western farmers, because they are experiencing a deep feeling of anxiety and of alienation. We can ill-afford such feelings at this time because we are fast approaching the situation wherein rural communities will be destroyed, and I am sure the majority of Canadians do not want to see that happen.

Both ministers responsible have a moral obligation to avert this trend. All hon. members have that obligation. These measures, including Bill C-176 and the bill that will be introduced to include rapeseed, flax and rye under the auspices of the Wheat Board are not necessarily in accordance with the wishes of the producers and I urge the minister to consider the performance of the Wheat Board and its auxiliary agencies because I think therein lies a great part of the problem. Unless the problem is solved, we can have all the cash advances in the world and we will not be a darn bit better off.

Mr. John L. Skoberg (Moose Jaw): Mr. Speaker, in rising to speak on second reading of Bill C-239 I should like first of all to refer to a statement made by the Canadian Council of Rural Development to the Canadian Agricultural Congress as follows:

> Rural Canada is currently going through a period of radical adjustment.
>
> What happens to agriculture in the 1970s will not only affect the destinies of all rural Canadians, (but will also) have con-

siderable influence on the lives of all Canadians whether they live in the country or in the city.

• (3:30 p.m.)

It appears to me that if you look around the House today and see how few members representing other parts of Canada are in their seats to listen to what is happening in the rural areas of Canada, the words of the Canadian Council of Rural Development ring very true. It appears to me, Mr. Speaker, that too many hon. members of this House fail to realize that from 50 per cent to 52 per cent of Canadians are directly or indirectly connected with the agricultural industry. When we see a bill of this nature before us to amend the Prairie Grain Advance Payments Act, in effect it means that the government has not looked after the basic agricultural economy of the country, because if it had it would not be necessary for it to introduce such a bill.

I suggest that the government takes a cold, heartless approach to the whole agricultural economy. I believe that the agricultural economy must be helped by a government that cares, thus removing the necessity for introducing bills of this kind. In former years it was always the case that farmers formed a major part of our nation that was self-reliant. Farmers and fishermen combined formed one of the basic ingredients that went into making up our nation and in most cases they were self-reliant people. Now, when we see bills of this nature introduced we can only believe that self-reliance has become a vague, political term and the government does not really care whether the agricultural economy is self-reliant. It used to be the case that the vast majority of our people—this was true of thousands and thousands of farmers—could consider themselves to be very independent. Now the government has to bring in measures such as this to offset the errors it has made in planning the economy. Its planning has attached government strings to many sectors of the economy and the result has not been good.

I believe that the majority of Canadian agricultural producers would not wish to have this legislation if they could do without it. They would rather be paid a fair return on their investment and not have to rely on an advance payment in order to continue in the agricultural industry. In this connection I wish to quote from an article which appeared in the Moose Jaw *Times-Herald* on February 13, 1969, because it bears directly on the Prairie Grain Advance Payments Act:

> Saskatchewan farmers are getting four cents more per bushel than it costs them to produce the wheat, a regional short course on the economics of farming was told Wednesday.
>
> J. F. Hickie of the provincial farm management bureau said that current price is $1.67 a bushel—

This was in February, 1969.

> —including an estimated final payment of 19 cents a bushel compared with production cost of $1.63 a bushel.
>
> He said the cash cost of producing wheat is $7.50 per acre with $2.80 per acre depreciation of equipment and $4.70 per acre labour return.
>
> Added to these costs is the investment cost of $6.40 per acre which made $21.50 per acre for production. The investment cost is a book entry which shows what the farmer could make if he invested money at 6 per cent interest instead of putting it into the production of wheat.
>
> With an average of 60 per cent of cultivated acreage seeded, production cost of wheat is $35.63 per acre which, with a yield of 22 bushels per acre, worked out to $1.63 or just 4 cents less than current prices—
>
> However, when evaluating current value of grain, it isn't even worth that much because of the market situation which results in some wheat not being sold for several years.

I relate those remarks by Mr. Hickie to the legislation now before us, because in the past Prairie farmers have always been self-reliant but now they are in a position where even those with the most efficient means of production have to admit they are not completely self-reliant and must depend on prairie grain advance payments. When farmers have to repay these advances they get themselves deeper into trouble because their costs are constantly rising and they cannot themselves keep up with the ever-rising cost of living.

Last November, in one of the areas that I visited I spoke to a hardware merchant who told me that it was the worst month in the history of his business. Despite all the big talk by Members of Parliament from central Canada about how much was being given in assistance to the agricultural economy, this merchant told me that November was his worst month ever. At that point, Mr. Speaker, some of the cash advances already had been paid and grain was moving into elevators, but despite that farmers could not pay this merchant for the credit they had obtained from him. That is a typical illustration that the government is really not concerned about the situation which exists in the rural areas of Canada, whether in the east, in central Canada or on the Prairies. The majority of members of this House represent 80 per cent of the large, urban centres in our country. I plead with them to give ample consideration to the rural areas.

When we look at this legislation, Mr. Speaker, we have to admit that the original act did help farmers in many areas when they needed assistance in times of stress. At the same time, I agree with hon. members who preceded me in this debate and said we must ascertain whether any attempt has been made by the government to keep up with changing marketing conditions which have been met and overcome by other trading countries. I am sure the minister is well aware of the fact that the President of the United States recently said he was going to pour more millions of dollars into that country's agricultural economy to make sure that the farmers, who are the backbone of the nation, realize a fair return on their investment. The time has come for our government to accept the fact that it, too, has an obligation and cannot rely just on bills like this which by their very nature show that the government is trying to evade its responsibility to make this a great trading country.

We must have good grain selling missions abroad. Farmers in the United States are not in need of legislation like this which provides a petty amount in cash advances which in the long run do not do the agricultural industry any good. The United States has always had a large number of concessional sales. I am pleased to note

that our government has moved to a better position in this regard and that we have made some concessional sales. But in the interim we have lost a tremendous number of markets, a fact which is well documented by the private planning commission which submitted an excellent report on this matter.

At the same time as the United States was making concessional sales it was developing cash sales. Over the past ten years Canadian agricultural exports to the European Economic Community and to the United Kingdom rose 10 per cent, while U.S. sales rose 37 per cent and were four times the value of ours. This does not speak well of our government's performance in those years. We also know that Canada concentrated on a slower growing product, wheat rather than coarse grains, and on a slower growing market, the United Kingdom rather than the European Economic Community. I suggest that the government has a responsibility to do something in this area.

• (3:40 p.m.)

The reason for the bill now before us is that in the early 1960s more U.S. wheat moved through concessional sales and it is suggested that these sales were used as an unfair bargaining lever to force countries to purchase a higher proportion of commercial wheat from the United States. This had a tremendous impact on world markets and adversely affected the Canadian wheat market. If the government had moved at that time or in the last few years to make more concessional sales before it lost the market, we would not be faced with this bill. At the same time, the United States passed Public Law 480 which depressed wheat exports, especially during the 1955-60 period and perhaps again in the past three years as large Soviet and Chinese purchases tapered off. Public Law 480 was one of the main reasons Canada lost markets when she was urgently in need of them.

I am sure we all hope that we can assist the agricultural economy. We know that farmers in Canada have never received their fair share of the national income. This is not a myth, it is a fact of life and the most recent DBS figures indicate how true it is. We also know that in order to provide assistance to people who have no cash input, we must provide some type of legislation such as the bill before us. This is not the whole answer, however.

As we go through western Canada in particular we find that the elevator men have been made bill collectors, because if the farmer does not pay his municipal taxes the elevator man must not accept his grain; and if he does accept it he must deduct the municipal taxes from the delivery. I hope the minister will comment on this situation. This type of policing regulation should be taken out of the elevator man's hands. We know how difficult it is for the farmers to bring their grain to the elevator and receive only half the amount they should receive because of the amount of their cash advance, and then to repay the loans they had to obtain in order to keep going.

No consideration is given to income and return on investment. I am sure the people in rural Canada are looking to this House of Commons and wondering whether we are obsessed with the situation in large urban centres and have forgotten the problems of rural areas. It is high time we looked after the basic industries, which of course includes the fishing industry. If we did, then this type of legislation would not be necessary.

All this planning which we thought was so necessary could have been brought about not too many years ago. Our brokerage firms are not very concerned with selling Canadian grain. If they have a ship sitting in Australia, they will fill it before bringing it back to Canada to haul grain to an export position. The manner in which brokerage firms handle grain should come under review. This is the type of situation that lends itself to the provisions of Bill C-239. It would not be necessary to debate it today if we were really concerned about the over-all cash input of our prairie economy.

When we look at this bill, Mr. Speaker, we must ask why the farmer is not getting his fair share and has to be assisted. When we consider, for instance, the cost of farm machinery, we realize that the government has not taken any steps to institute an investigation under the Combines Investigations Act into this question even though Dr. Barber suggested that this should be done. People are having to use their cash advances to pay exorbitant prices for machinery. When the agricultural producer next marks his ballot he will remember this situation and how little this government has done to bring about the type of programs needed to ensure a return on his investment.

I am sure many other members wish to speak on this bill. As we look at the entire agricultural area we wonder whether bills of this nature are introduced only to get votes. In an address to 250 people, the Premier of Saskatchewan said that he did not want to tip his hand on when an election would be held in Saskatchewan, but that "it would be very nice to have those cheques in the hands of farmers before an election." I suggest the politicians are playing with the lives of the rural dwellers of Canada when they make this type of statement. It makes me think there is collusion between federal and provincial parties to ensure more votes at election time.

We all know that one of the greatest needs is to obtain a viable, economic farm unit. To obtain this the farmer must receive a reasonable price for his produce. While we will no doubt support Bill C-239 in order that it can go to committee—probably with many amendments to be made there—it is not the answer. It cannot be the answer to say, "We will give you more money today" and then vote it back, saying, "You are not getting a fair return on your investment". A short while ago I illustrated that in 1969 the breaking point was 4 cents per bushel of grain.

How can rural Canada remain in existence with the legislation before us? At one time it was said there are various ways of being a successful farmer, and I suppose it is the same thing when we look at cash advances. Many farmers will not take cash advances because they know the implications. It used to be said that all a farmer required was a strong back and a weak mind, but nowadays we know that a farmer must have a good head and

a wide education in order to understand the advice offered by city men and to select only that which will do the least damage.

In considering the legislation before us I sincerely say it is high time that practical and realistic people involved in the agricultural economy were brought into the picture. In his deliberations and consultations with various groups throughout the country I hope the minister will use their practical knowledge. Though we may pass Bill C-239, I would suggest that the regulations are most important. Unless practical people are consulted, all the legislation in the world will not help and we will go merrily on our way taking a hard approach to the rural agricultural producer.

• (3:50 p.m.)

It is high time everybody appreciated that the agricultural producer is the backbone of the nation. It is high time those who draw up legislation looked at the situation to see what return the agricultural producer is getting. The people who draw up the regulations should go into the rural areas of Canada before they attempt even to draft a bill of this kind. These remarks apply also to other bills that we deal with in this House, but particularly to the people concerned with Bill C-239. It is high time those people obtained the necessary knowledge in the field; they should not rely on university degrees only.

Mr. Cliff Downey (Battle River): Mr. Speaker, it gives me great pleasure to speak on this bill to amend the Prairie Grain Advance Payments Act. I think almost all hon. members of the House, certainly those concerned about agriculture, agree in principle with these amendments. Cash advances on stored grain have assisted farmers over the years and have allowed farmers to obtain interest-free money on grain on hand. That money has tided them over until sales have been possible.

I believe some areas of the bill could be changed to the advantage of all. Certainly changes should be made to the bill to make it more workable from the standpoint of the farming community. Clause 6 of the bill, on page 4, is one area that gives me concern. It speaks of interest rates that may be charged back to the beginning of the loan if the loan was made in cash instead of taking the usual form of an advance against grain deliveries. If I am wrong in my interpretation, I hope the minister will correct me.

I wonder if the following situation would not be possible under this clause. Let us suppose a farmer took a cash advance against his grain and then decided, because of market conditions, to buy cattle or other livestock. Let us say that he fed the livestock with grain and did not sell his in the usual manner through the elevator system. If he fed this grain to his livestock and then repaid the advance in cash, would he not be penalized and possibly have to pay interest from the beginning of the loan? Would he be penalized because he fed the grain to his livestock instead of selling it through the elevator system? If he had not gone into the livestock business he would have sold the grain through the elevator system.

I do not think that there should be any discrimination in this area. I think a permit holder or bona fide farmer who has taken a cash advance should have the opportunity of repaying the loan in any way he may wish. After all, that would help the diversification of agriculture and bring about the flexibility that we need: it would be brought about if farmers had the privilege of paying these loans back in whatever way they wished.

Turning to clause 7 of the bill, I wish to say a word about the flexibility that is to be allowed to the Governor in Council with regard to the amount that may be paid against a bushel of grain. I am referring to loan repayment rates. I suggest that it should be a fixed rate. I do not think it is good to have a flexible rate, because the farmer must be able to plan ahead like any other businessman.

The farmer plans his credit as he plans anything else, and when he makes plans for the purchase of fertilizer, equipment and that sort of thing he must know how much of his income will come out of the grain that he delivers. If that item is too flexible and if the Governor in Council can vary the amount of the return, I think the effects will be undesirable. They might be disastrous for an operator who had made a long-term commitment and then found that his repayment terms had been altered. I suggest that this area of the bill ought to be looked at before the bill reaches its final form.

The hon. member for Moose Jaw (Mr. Skoberg) referred to the regulations that are enacted with bills of this kind. In that regard, this bill is no different from any similar bill. Often the regulations and the bill are interpreted differently than was intended, possibly, by those who drafted the legislation. I think the regulations ought to be placed before the House together with the bill in its final form so that we may be aware of what we are dealing with. Too many times have regulations thwarted the real intent of a bill.

I suggest that the regulations ought not to be interpreted by people who lack the required background and an awareness of the situation which exists. Too often these people are more concerned about whether a bill is workable and about its drafting from a legal standpoint, than about its effect on the producer and the credit arrangements of the farmer. Before this bill reaches its final stage we ought to know what will be the regulations under it. There are certain hazy and hairy areas in this bill that might easily lend themselves to misinterpretation. The regulations could be interpreted in a manner detrimental to the farming community.

The whole business of cash advances has always met with ready acceptance in this House and across the country. I think we have come to realize that increasing and improving farm credit facilities, whether by way of cash advances, improved farm credit arrangements or farm improvement loans, have benefited the agricultural community. It all boils down to the fact that we must be more aware of the importance of agriculture on the national scene.

• (4:00 p.m.)

Improved credit facilities are not enough when we consider the real necessity, which is a higher price for the product. I attended meetings this past weekend in my constituency. When talking to farmers, machinery dealers and a cross-section of people from rural areas it was never so evident to me that time is running out for these people. They have extended their credit as far as they can. Their resources are stretched tight. They have borrowed as much money as possible from the banks. This is very evident from their arrears with the Farm Credit Corporation, which are well over the 20 per cent mark. Everywhere credit facilities are stretched to the wire.

Further cash advances and credit extensions will not be of value much longer. We are coming to the end of the rope and approaching the day of reckoning in the farm community. It is folly to say that any measures before the House will alleviate this situation. The government, through the FCC, banks, farm agencies and other organizations will not help the owners of a great many farm enterprises in the near future. There has not been any legislation before the House this session to alleviate the situation. We have been debating this bill for only one day, but we spent more than a year on the farm products marketing bill. There is not anything in that bill which spells out that producers will receive even one cent more for their products. If we look at the bill we can only assume that the administrative costs of the bureaucracy may be an additional charge on this product. The charge will probably be on the producer rather than the consumer.

I urge the minister to look at this situation where credit has run out across the country. Many people have gone broke already. I can stand here and say these things. Maybe it will sound like politics, maybe it will not. However, if we talk to the people in the farm communities they will tell us that they can only go for another six months, the banks are closing down on them and they are in arrears with the FCC. When we hear this, we know that we are coming to the end of the road as far as agriculture is concerned.

During the past weekend the National Farmers Union staged demonstrations in Edmonton, Regina and, I think, Winnipeg. A few years ago I did not go along with demonstrations. I do not really believe in government by demonstration, but when I look at the demonstrations staged today I think the situation is entirely different. The government has not shown any awareness of the problem. It has not responded to mere words and warnings. It has continued its course of grinding-out legislation but this has not improved the farm picture. I say to the minister that one day the farmers of this nation will rise in anger and fall upon him. Unless he does more than he has in the past, he will deserve anything that happens. We cannot be responsible for their actions because their farms, businesses, life savings and dreams are disappearing. We in this Parliament merely talk about it and extend them a little more credit when they have already gone over the wire in that area. It is just like applying a band-aid to an amputated leg.

Some figures were quoted in this debate yesterday which indicated the amount of money funnelled into agriculture by governments of various countries. It was pointed out that Canada is spending approximately $350 on each person employed in agriculture. I gather that the figures quoted were for the year 1968. At the same time, the small country of Switzerland was spending approximately $1,502 on each person employed in agriculture. A little country like Switzerland funnels over $1,500 per person into agriculture, while Canada is only funnelling about $350. Compare the performance of these two nations over the years. Switzerland has continued right in the middle of a hornet's nest. Governments have fallen, governments have gone bankrupt, there have been wars and strife and yet Switzerland has remained stable. These figures indicate that the Swiss have read their history books and realize the importance of agriculture to a nation that hopes to survive.

It may be said that the main business in Switzerland is banking and that agriculture is not very important when looked at from an objective point of view from our distance from them. However, they feel it is important enough to funnel almost five times as much per person into agriculture every year as we in Canada—and Switzerland is not a forming nation; that is not their main business. If one looks at the relative importance of the gross national product of agriculture in Canada compared with that of Switzerland, he can see what I mean. It can be seen that they have read their history books well. They realize that any country or civilization must have a healthy agricultural economy in order to survive. Countries which have chosen to ignore this fact have disappeared into the dust, and the sands of time have swept over them. If the minister has put any effort into this matter, I feel he must put in three times as much effort. This country will rise or fall on the basis of our agriculture. Our farmers do not have much time left.

The hon. member for Vegreville (Mr. Mazankowski) quoted some very interesting figures from the Wheat Board's report. They show the difference between announced and actual sales, and the amount of sales that are uncommitted in contracts which we have with other countries. I was shocked when I heard these figures. The minister has made announcements in the House about the great grain sales that have been made to the Arab Republic and to Russia, yet according to the hon. member for Vegreville only a small percentage of the grain has been delivered. What these sales really amounted to was an open-ended contract with these countries. If these countries could buy their grain cheaper elsewhere, they shopped around and did so, whereas we were tied to the arrangement we had made.

• (4:10 p.m.)

Mr. Lang: Could I ask the hon. member a question?

Mr. Downey: I would be very pleased to receive one.

Mr. Lang: I should like to ask the hon. member whether he would care to read the pages of the Wheat Board report referred to by his colleague. Perhaps he will

understand them in a way that his colleague did not, since in many cases the dates clearly show that the grain was to be delivered at a later period in the crop year. The hon. member then might realize that in almost every case the grain has been delivered under those contracts, some of which have been completed. But in almost every case the grain is going out, with the one exception where much longer time has been taken, the one referred to by the hon. member, the contract with the U.S.S.R.

Mr. Downey: Fortunately, I did look at the figures in the report, and when you speak of the time limit—

Mr. Deputy Speaker: Order, please. I respectfully suggest to the hon. member that he should direct his remarks to the minister through the Chair.

Mr. Downey: Mr. Speaker, since the minister asked me a question, might I be allowed to comment on it? I think it is more likely that you have not studied the figures very closely, Mr. Minister. The time limit for deliveries of grain to the bulk of the countries listed in the report has expired. I think only two had extensions of time, one until 1973, and I forget the other extension. But do not lead the House astray by saying that the delivery periods in the Wheat Board report did not expire in the case of the bulk of the countries named.

I was speaking about the difficult situation we are facing with our grain sales and relating this to cash advances. No matter what party a member belongs to, we all know that he does his work to best advantage. Nevertheless, at times we were disappointed by some of the provisions of the marketing board bill and various other pieces of farming legislation which we attributed to the various ministers who brought the bills forward. However, in a speech in June, 1968, the Prime Minister (Mr. Trudeau) set out all these programs even before he had appointed ministers to the various portfolios.

With all due respect to the Prime Minister, coming from an area like Westmount we cannot expect him to have an agricultural point of view and to formulate practical policies for grain marketing, and that sort of thing, in the same way as somebody like yourself, Mr. Minister, or the Minister of Agriculture (Mr. Olson). I feel sorry that you gentlemen are forced into the position where you have to try and perpetuate unrealistic policies put forward by the Prime Minister before you had anything to do with your present portfolios.

Another undesirable feature of our grain sales is the reduction of terminal storage. Over the long run I do not think this will prove to be a healthy situation. The Prime Minister is an intelligent man. However, knowing that his policies are not working—though I do not know that he cares about that—and bearing in mind some of the places he visits on his trips, I can only assume he is going to Russia within the next week or two to get some more ideas on how to run this country. Certainly if any member of the House spent as much time in iron curtain countries as he does, there would be quite a large dossier on him in Ottawa.

I contend that if the credit difficulties on farms to which I have referred are ignored, then the government will end up owning the farms of this country by default. The government itself will be in the farming business. The measures brought before the House are designed to give the government control, control and more control. If the Minister of Finance (Mr. Benson) brings in legislation that is anything like the proposals contained in his white paper, then the government will control other segments of industry.

There was an interesting article in yesterday's Edmonton *Journal* regarding an announcement made by the Prime Minister in Vancouver. The article is headed "PM suggests city for youth in the north" and reads as follows:

> Prime Minister Trudeau suggested Monday that 10,000 Canadian youths could begin a new city in Canada's northlands.
>
> In a television interview the Prime Minister said building such a city would test the values of Canadian youth. He also suggested the government would be willing to help.
>
> "You've got some engineers, you've got some doctors, you've got some groovy people—people who want to live in communes—go and stake out a new city up there."
>
> Mr. Trudeau said that building roads in Newfoundland or paving the Alaska Highway would not satisfy Canadian youth today because they want to find different types of projects. He said he is sure the government will help set up such structures if there is a real desire for it.
>
> Mr. Trudeau was in Vancouver for the beginning of a royal tour marking the British Columbia centennial.

Although the Prime Minister is talking of starting a beautiful city in the north for youth, he does not say how that city is to be supported. I do not know whether he plans to support such a city with welfare, or whether he plans to send all the farmers who are going broke to the north to populate this new city.

Mr. Baldwin: Not one; we need five.

Mr. Downey: Yes, at least that many. Most urban dwellers would go along with the idea of putting more money into the agricultural industry if they realized the consequences of its failure in terms of social costs, the decrease in the cost of living and the associated problems. It is far more important that we maintain the price of farm produce, giving these people some real income rather than loans or cash advances. This must be the cheapest and most logical form of assistance we can provide in order to continue our success as a nation.

• (4:20 p.m.)

Mr. Deputy Speaker: I will recognize the hon. member for Saskatoon-Biggar (Mr. Gleave), although I was under the impression he had spoken. If that is not the case, he now has the floor.

Mr. A. P. Gleave (Saskatoon-Biggar): Mr. Speaker, I do not intent to take up too much time but there are one or two points in the bill that I think are worthy of note. I think it is good that it makes provision for cash advances under circumstances of crop failure because of an early snowfall. This provision regularizes something which has been done on two or three occasions when such action was necessary to handle the marketing of tough or damp grain. I hope this measure will correct some of the errors

which were encountered as a result of the last amendments made.

While payments under this bill will be severe as far as farmers are concerned, hopefully the farmer will not find himself in a position of obtaining cash advances and not being able to deliver grain until a succeeding crop year, hence not being able to make repayment. Farmers often find themselves in the very difficult position of having received advance payments on a year's crop, then not being able to make deliveries and ending up with an extremely limited income. Whether or not the provisions of this bill will avoid that difficulty, only time will tell. I suppose this will depend to a large extent on the volume of grain sold.

When looking at the present level of wheat quotas I am concerned whether we will attain the projected eight-bushel quota at the end of this crop year. If we do, it will only be on a lower acreage basis than that which existed a year ago. I have not looked up the figure, but I suspect it will not be more than two-thirds of what it was before the Lift program came into effect, with the consequential slowdown on wheat acreage.

Mr. Horner: This will involve 50 per cent.

Mr. Gleave: As I say, this depends on the ability of farmers to deliver. The deliveries in April have been much higher than they were last year. This will take care of some of the outstanding advances. The sooner those advances are paid up or dealt with in some manner, the better off farmers will be. I agree with the hon. member for Battle River (Mr. Downey). If you get out into the country and talk to farmers, credit unions and bankers you will find that things are in tough shape. This situation will continue until the question of cash advances have been cleaned up and there is sufficient cash to take care of immediate needs.

I am somewhat concerned about clause 6 of this bill. It proposes that if a producer pays in cash instead of paying through the delivery of grain, interest will be charged. As I remember, the minister said there might be producers who would borrow money through cash advances with no intention of paying it back in grain. They might market their grain in some other way or perhaps use it as feed. This was the argument advanced by the minister in respect of this clause. I do not think this is a good idea. If a farmer obtains a cash advance and finds another way of selling his grain instead of putting it through the elevator system, why not encourage him to do so?

A farmer might decide to buy feeder cattle. That farmer might be able to obtain up to $6,000 in cash advances. This would not go very far toward the purchase of the feeder cattle, but if a farmer can accomplish this and pay back the $3,000, $4,000 or $6,000, why should we worry about it? I do not really see the point. There may be some justification for worry or concern about an individual who is able to borrow this amount of money and invests it in a trust company. There are some people who do this, but anyone who is in a position to follow this procedure is indeed in the minority.

I believe this measure will be discriminatory as between a farmer who chooses to market his grain and the farmer who decides to use it to feed cattle. Another farmer may very well decide to obtain a cash advance and sell his grain to a feed company. Such a farmer would no doubt be selling grain to the company at a discounted price. Very few farmers manage to sell grain to a feed company or mill at a price equal to the price they might eventually realize. The farmers who do so are prepared to accept a discounted price in order to move the grain. Grain sold in this way does not go through the system. For these reasons I do not think the provision under clause 6 in respect of the amount of money it would bring into the coffers of the treasury would be worth the trouble of including it in the legislation. This, of course, is a matter of opinion and it is my opinion for what it is worth. We have many opinions in this House, but at least this is how I see it. I suppose when we get to the committee we will be out of order in moving such an amendment because it will have to do with the provision of government funds. But if I were able to move an amendment I would move that this provision be deleted.

• (4:30 p.m.)

I hope in the future the government will treat this cash advance legislation and such a proposal exactly as it is. It should not be treated as a substitute for sales of grain but merely as a convenience or device to allow some flexibility in the flow of grain to market, thereby relieving the pressure on the farmer who for a temporary period is unable to get his grain to market and realize money on it. That was the original objective of this program when it was proposed, incidentally, by the Farmers Union, accepted by the Conservative government and put into effect. This was the original objective of the proposal and this is what should be expected of it. It should not be expected that this proposal is a substitute for doing a good and effective job of marketing grain and getting it into the hands of those who can sell it and return the cash to the farmer.

It might help to slow down to some extent the depopulation of our rural areas which is taking place. I spoke to a dealer in a small town the other day and he informed me that in his area 21 farmers had closed out this year. This is not a large area. It is not as large as Biggar or Humboldt in the minister's constituency. It is a relatively small town with a more or less normal trading area. I know there are those in government—in fact, policy papers have been produced on this subject by the government—who believe we should drastically reduce the number of farmers. In fact, the methods have been set out. If I might quote from one of their papers, they say the problem becomes one of increasing the rate of adjustment and of finding ways and means of facilitating adjustment both within agriculture and between agriculture and the rest of the economy. On another page they say these policies depend for their operational efficiency on the effectiveness of the first set of programs, those designed to increase the mobility of the resources and grease the wheels of the adjustment process. What they

really mean is to grease the skids of the adjustment process.

Let me take this opportunity to say to the government that it is much easier to get people out of agriculture than it is to get them back in it. The trend in practically all industrialized societies such as our own is for the population to move from rural areas to the cities. It is very rare—at least, I do not know of any such example—that there is a trend to move from the city back into farming. People go from the city to the country in order to indulge in a hobby, or something like that, but not for the purpose of operating a farm. So I take this opportunity to say that the government should get a few practical people to sit among their advisers before they go completely overboard on this course which they obviously have set for themselves.

It is much easier to destroy the structure of a rural society than it is at some later point in time to rebuild it into a structure which the planners think is desirable. It is much more difficult, for example, to plan a totally rural society than it is to plan an urban society, because in one case we are dealing with the forces of nature which are not under our control. In the city we have much greater control over the forces of nature and therefore much more control over any plan thought to be desirable. This is not always, in fact very rarely, true of the farming community. So, Mr. Speaker, having said this I shall close by urging the minister to give consideration to reviewing the position taken with regard to interest being paid on cash advances in the circumstances described in Clause 6.

Mr. Gordon Ritchie (Dauphin): Mr. Speaker, in general I must support Bill C-239 as being necessary at the present time for our agricultural community in the west, although I deplore it in the sense that it is too bad we have to have it. This means that the products of the farm do not move fast enough and in large enough volume to provide the income necessary to maintain a viable farm economy without the assistance of legislation such as this. This type of legislation has been around for some time. I have been a member only since 1968 and therefore am not too familiar with the previous regulations. However, the advent of the new quota system or new regulations has no doubt meant that there must be considerable change in this piece of legislation. In general I would have to support it.

Mr. Speaker, I believe the grain farmers of western Canada are entering the most regulated period they have ever experienced or since the advent of farming in western Canada. The other day I spoke to a farmer 77 years of age who is still active. He has been farming since the First World War. He told me he had never seen such a regulated period when there was so much uncertainty concerning what a farmer should do and what he should sow in the coming year.

Although the aim of the regulations is to assist farmers, presumably, in planning logically, I should like to inform the minister that my experience is that this spring the farmers are more at sea than ever before. When I ask them what they are going to plant this year, how they feel the regulations will affect them and how the quotas will affect them, the answer I receive is, "I don't know". Then I ask what they are going to plant and they say they intend to plant a little of everything no matter whether they should or not, because they will have it on hand and hope they can sell it in order to get by and remain alive on the farm.

• (4:40 p.m.)

The advent of these regulations is very important. Just the other day the minister brought forward an amendment to the Wheat Board Act which will give the board jurisdiction over the sale of flaxseed, rye and rapeseed. Rapeseed in particular has been a very important commodity in the last few years and certainly in my area it has spelled the difference between an almost disastrous year and one which has been reasonable for many farmers.

The unfortunate announcement of the minister was made apparently without discussion with the rapeseed producers, the provincial Rapeseed Association of Canada and the crushers in western Canada. This would allow the government to take over rapeseed and put it under the Wheat Board. I believe the minister has stated publicly that the government does not intend at this time to bring rapeseed under the Wheat Board. Regardless of this, everyone knows—even those members of the public who are unfamiliar with the government—that this legislation enables the government to put rapeseed under the Wheat Board without referring the matter to Parliament, and indicates the government's intention.

What has been the effect of this announcement on the industry? So far, the cancellation of open contracts has been considerable. On May 3, 101 contracts were cancelled, representing 5,000 bushels, and on April 30 there were 418 fewer contracts. This means that there has been a sharp drop in open contracts for rapeseed on the Winnipeg Grain Exchange, with a consequent drop in sales and pricing.

Notwithstanding the fact that the minister gave the assurance that there was no intention at this time to bring oilseed under the Wheat Board, his announcement has had a bad effect at a time when we are most anxious that rapeseed production be expanded. I think everyone is hopeful that it will be expanded but we must remember that the market in rapeseed is very competitive. We are competing against soybeans and safflower oil throughout the world.

I hope the minister can give a firm assurance to the trade and to our exporters that the placing of rapeseed under the Wheat Board will not be detrimental to our trade and will not impede in any way either the selling or the buying of rapeseed on world markets. Some people believe that the Japanese exporters and crushers have been in favour of having rapeseed under the Wheat Board. Others have stated that it is not so. It would be most interesting to know just what the facts are.

There is another item in the bill which I think is important, that is, the provision regarding the phasing out of the levy for PFAA. I am sure that over the years

the Prairie Farm Assistance Act has been a very useful piece of legislation. It has been almost social legislation in that it has helped small producers and small farmers to keep going for another year. I know of a considerable number of small farmers who have benefited from PFAA. I do not know what program, if any, the government intends to put forward in place of PFAA but I would like to remind the minister that the grain stabilization program does not in any way assist small producers who experience a crop failure. This program has not always been favoured by the large and efficient producers but it has assisted small farm units to stay viable and it has kept families on the farm for another year.

Now I would like to make a few comments on the bill itself. I should like to say a few words on the setting of interest rates. The bill mentions that the prescribed interest rate is to be set by the cabinet. I hope that the interest rate on advance payments will not be any greater than the interest rate on farm improvement loans. I am afraid that the interest rate on cash advances may be increased to such an extent that it would become a hardship to the individual producer taking out an advance payment, particularly at a time when he may be in difficulty.

There are plenty of precedents for the setting of a maximum interest rate and I am sure it could be worked out satisfactorily. My suggestion is that the interest rate on cash payments should be no higher than at present, and lower if possible, because we are dealing with an individual who is taking a cash advance at a time when he is in financial difficulty.

Turning now to the matter of repayment, it seems to me that an attempt is made to close a gap that should not be closed. I am referring to a farmer repaying a cash advance which was taken out on another product, for instance cash from the sale of cattle, or hogs or of other products, the interest on which he would have to pay from the day he took out the cash advance. I think this provision indicates that the government is overzealous. I think that the producer who thought he would not be able to deliver his grain and turned his attention to a feeding program should receive the benefit of the doubt.

I would point out to the minister that a producer could well get around this provision by horse-trading with a neighbour and suggesting to him that in order to avoid paying the interest he would borrow barley. They would then split the interest, and although each of them would be out by a small amount the government would not recover anything. I think this provision lends itself to manipulation and it does not make for good business. We have to assume that those who take cash advances do so in good faith and will be reasonably honest in fulfilling their commitments.

I also think that the interest rate should not be charged from the day the cash advance is made, but from the day the farmer is declared in default. It is only fair that this should be so. It seems unfortunate that when a farmer is in default, interest must be paid from the day when the cash advance was made. Most people who are in default are in this situation not through any fault of their own but because they guessed wrongly and are genuinely poor business people. They are not in default because of some illegal transaction. Therefore, I strongly urge the minister that the legislation be reconsidered so that interest is charged when an individual is declared in default.

The formula on which advance payments will be estimated seems to be quite complicated and presents some difficulties. I will be glad to hear what the minister has to say about this in committee. So far as the Wheat Board is concerned, presumably by August 1 they will have to estimate how many bushels of grain they expect to sell. Then they will have to estimate the number of acres that will be designated by the producers and, finally, according to my interpretation of the legislation, they will have to estimate the grade which will contain the largest number of bushels and which they will be able to sell. But turning to the individual producer, Mr. Speaker, presumably by August 1 he will be able to apply for a cash advance based on his own designated acres. However, it would appear that during the ensuing fall, as I understand the quota system, the suggestion is that a farmer will be able to redesignate his acres, partly on the basis of what he has grown that year, how his crop has turned out, and presumably also on what basis he hopes the particular grain will move.

• (4:50 p.m.)

I can see some difficulties for a producer in not being able to supply the grain required that he has designated, if for instance he took a cash advance on his permit book as designated on August 1 and yet in October he had a chance to redesignate his acres. As a result, it might be hard for him to deliver the grain. Individual producers may find themselves in an unenviable, almost impossible situation in having their advances repaid by the end of the current crop year.

Like other hon. members who have had experience with the Lift program, I would not say that operation Lift as conceived, particularly so far as the regulations were concerned, was an unqualified success. I think history will show it was of less value than other programs which might have been introduced. All hon. members have had cases brought to their attention where the regulations seemed to work a hardship even upon the farmer who had studied the matter carefully, planned his acres in 1970 in order to get the benefit of the program and yet found himself unable to realize the benefit because of the regulations.

I urge the minister to supply each individual taking a cash advance with a booklet or folder, written in layman's language, giving an explanation of the regulations and the law. I do not think it is enough that the elevator agent be the one who is in charge of the regulations on a local level, or the agricultural representatives, because even they became confused about the meaning of some of the Lift regulations. This at least would give the farmer something to hang his hat on. It would give the individual farmer a chance to make sure that he would not be caught-out contravening the regulations.

In my area some farmers were left out of the Lift program and suffered loss of income even thought they applied to the so-called experts. Due to the late spring and fall in 1969, wheat acreage in Manitoba dropped considerably. In other words, Manitoba farmers did in 1969 what farmers in Saskatchewan and Alberta did in 1970; they reduced their wheat acreage. In recognition of the 1969 drop in wheat acreage and of the unfairness in taking only 1969 as the yardstick, the department, the minister and the Wheat Board agreed to allow 1968 to be used. In brief, the agricultural representatives, or ag reps as they are known everywhere in western Canada, and other people in the Manitoba Department of Agriculture met with the officials who were administering the Lift regulations and most of them were under the impression, particularly one in my area, that if 1968 wheat acres were to be used then the 1969 summerfallow and forage acres had to be used.

This went on all through the summer of 1970 and farmers who were working under the Lift program and hoping to benefit relied on this. However, a problem arose and was referred to the department for a ruling and a ruling was made in November or December, 1970, that if 1968 wheat acres were to be used then the 1968 acres of summerfallow and forage also had to be used. Farmers who were under the impression that the 1969 summerfallow and forage acres had to be used had planned their 1970 crops and plantings on that basis, but now sadly found they were out of luck. A good many of them were out as much as $300 or $400. Many of them were farmers who could have planted rapeseed and done much better by doing so. I suspect there are still some farmers who are unaware that they were eligible to use their 1968 summerfallow and forage acres and as a result have not applied.

I am sure that the Lift officials, who have been most helpful in making sure that those who qualified have received the utmost attention, are aware of this situation, but I deplore the fact that the ruling was not made until November. It should have been made before March or April of 1970. For this reason, again I urge the minister to supply people taking cash advances with an explanatory folder or other document to prevent unnecessary mistakes being made and consequently unnecessary suffering for individuals. I hope answers will be given to some of these questions in the committee. I also think that improvements can be made to the bill.

Mr. Jack McIntosh (Swift Current-Maple Creek): Mr. Speaker, I do not intend to speak at length on this bill. I can well imagine the thoughts that are going through your mind as well as the thoughts of hon. members whose constituencies are not greatly concerned with agriculture. It may seem strange to a number of hon. members who represent urban ridings that we on this side of the House seem to be opposing most of the agricultural legislation that the government is putting before parliament.

Hon. members have heard my colleagues say today that there are many good features in Bill C-239 regarding cash advances for farmers. It is right that they should say that, because in the first place this legislation was put on the books by a Conservative government at a time when the Liberals said it could not be done. It was done and it did work. But I am at variance to a slight degree with some of my colleagues because, if I understood the minister correctly, this bill does impose another restriction on the farmer.

• (5:00 p.m.)

In the first place, the government has control of what the grain farmer sells, and later I will have something to say about the cattle industry and this government's legislation in that regard. As most people here and anybody who reads the newspapers know, the grain farmers have had many problems. Coming from the area he does, the minister is in an ideal position to realize that and he must know that the problems are the result of the agricultural legislation introduced by the present government. When I read this bill it seems to me that the minister is handing out a few kudos but is changing the agreement with the farmers in regard to cash advances which were satisfactory to the farmers, to make them demand notes.

As any businessman knows, one of the prime requisites of establishing a business is operating capital. Without this he would be bankrupt. It may well be that this government is endeavouring to bankrupt people engaged in agriculture. Their whole agricultural policy is based on the idea that agriculture in Canada must be reduced. The reason I say this is because with state control, which I think all this legislation is directed toward, production can be controlled to the markets you want. However, I do not think this is what our western farmers want.

The explanatory note of this bill reads:

> This amendment is consequential on the proposed change in the rate of interest payable on an advance payment in certain circumstances from a fixed rate of 6 per cent to a top rate prescribed for the crop year in which the advance payment was made.

Is this prescribed rate a bank rate, an international, stabilized rate or is it a rate set by some bureaucrat in Ottawa? There are many clauses in the bill which relate to interest. The minister has said, and I assume this to be the case, the main part of the bill is an adjustment of interest and method of payment. It must be remembered that it is through no fault of their own that farmers cannot pay the interest and principal. They have the grain stacked up to the eaves, but because this government is negligent in getting rid of that grain the farmers are without a cash return. I blame the government because, unlike other countries, they have control of the marketing of grain and have accepted that responsibility. We know that markets exist and wonder why they are not selling the grain. Surely the government's policy should be oriented toward marketing and production, not reduction.

The minister has tried to tell us that there are no markets for our grain. In a moment I shall ask him whether this government has turned down any sales this

year. We understand that if the transportation system were reorganized there would be markets at the points of delivery. When the strike came there was no grain in position and sales had to be turned down. The farmers are trapped by the inaction of this government and now it is trying to penalize them by increasing the interest on the money they owe and by trying to make a demand note out of an existing agreement. This agreement is to be cancelled because the government has the power to do it. That is what they have always wanted—power.

Just yesterday the hon. member for Crowfoot (Mr. Horner) asked where this whole thing had started. It started in 1963 when the Prime Minister (Mr. Trudeau) made a speech to the Liberal party down east and said they wanted power. The people of Canada gave them that power. I hope the people engaged in agriculture understand the result of it, and I am sure they are sorry. If the coupons I receive daily are any indication, I am sure former supporters of the government have changed their views. I doubt if any Liberal, including the minister, could be elected dog-catcher in western Canada right now. I know what has happened to the Minister of Agriculture (Mr. Olson) in his riding in southeastern Alberta because I receive many letters from his constituents asking me to oppose the legislation that he is trying to put through the House.

My whole argument, Mr. Speaker, is that this government is doing its utmost to destroy the agricultural industry, and I ask why this is so. I am informed that their premise is based on the analysis that of the 430,000 farmers in Canada, some 200,000 are redundant. Farm organizations and farm economists are coming to the conclusion that the policy of the government—I have already said that their policy is one of reduction—is not to raise the productivity of these 200,000 farmers but to get them out of agriculture.

I am sure, Mr. Speaker, if you have heard all the arguments and will listen to other arguments as these agricultural bills come before the House you will understand that is the reason the government is implementing these measures at the present time. I do not really blame this minister for what he is doing to agriculture, any more than I blame the Minister of Agriculture for what he has done, because I believe both are just puppets. They are not even good front-men. The whole thing goes back to the philosophy of the Prime Minister. I will say this about the Prime Minister; I do not think he has told an untruth but it has taken some of us a long time to catch on to what he meant. At a meeting in Toronto he was trying to explain the white paper on tax reform and said:

> We will not be bullied or blackmailed by hysterical charges and threats. Such tactics will not distract us from the fundamental objective of our reform. In many ways our white papers introduce a new concept of government for Canada.

He has diligently followed that course ever since. What is that new concept of government for Canada? Surely the people are entitled to know, rather than to be hoodwinked by this piecemeal legislation, this destructive legislation that the minister is trying to introduce in regard to agriculture. Do not forget that one of the quickest ways to put people out of the agricultural business is to take from them any operating capital they might have. I suggest that this bill is designed to take away from them any operating capital that they have.

• (5:10 p.m.)

This bill says that interest will be charged on loans right from the beginning, from the time the loan is taken out. The previous legislation said that farmers would be given a certain period in which no interest would be charged. That has been changed. As one of my colleagues in the House has said, the government is trying to legislate people off the farms. It is doing a good job in getting them out of agriculture. That is what is happening and that is the purpose of this government. As the Prime Minister said, we need a new concept of government for Canada. What is that new concept? I have a good idea: I suggest that it involves government control, state control, social control or whatever you want to call it. In short, it is government control.

The hon. member for Battle River (Mr. Downey) said, without touching on this subject in quite the same way as I have, that the government is forcing farmers out of business. I wish I had been sitting close to the hon. member when he spoke, because I would have suggested to him that that is the purpose of this government. They are pursuing their purpose. They are trying to force 200,000 farmers off the land and making a good job of it. The minister tried to correct the hon. member for Battle River and suggested that he did not understand the situation. I say to the minister that we do not understand his philosophy or that of the government. When he goes back to his constituency on the Prairies he will have difficulty in making the people he represents understand his philosophy. I dare say that many things have changed since he first came to this House.

May I now talk about the income of farmers. I suggest, Mr. Speaker, that the Dominion Bureau of Statistics shows that at least 85 per cent of a farmer's income goes toward operating costs on the farm. If this legislation is passed, a farmer's operating costs will rise by another couple of percentage points and he will be left with between 12 or 13 per cent of gross income for operating his farm. Farmers today will tell you that it cannot be done. Their gross income is not large enough, and the reason is government inactivity or activity in the wrong direction. I suggest that the government should be bending their efforts toward marketing and production.

Mr. Horner: Hear, hear!

Mr. McIntosh: Is it not strange that within the last few years Canada, with its great prairies and great potential, with its eastern regions and its north, and so on, has become an importer of agricultural products if one excludes grain. We have imported more than we have exported. The net income of the livestock industry has been over $1 billion, yet the last figures I have of imports and exports suggest that Canada in 1968 imported over $1 billion worth of agricultural products. To me that is ridiculous. It is ridiculous that a country like Canada,

with only 22 million people and the potential of producing all the agricultural produce we want, should import agricultural produce.

I say again that the task of this government ought to be the search for markets. The markets are there, if we want them. If our transportation and handling systems are inadequate, then for gosh sakes let us change them. I am sure that the people of Canada will not mind any money we vote to rectify that situation.

We have made suggestions from time to time which the government has ignored. We have suggested the building of all-weather terminals in positions which will enable ships to come to them in winter and summer and take away our produce. The government has ignored these ideas. We ought to build terminals in Europe and elsewhere near our markets so that we have ready access to any customer. Also, no customer ought to be too small. The minister ought to learn from some of the business people operating in that part of the country he represents. Let him look at the subsidiary of a large company, the Canadian subsidiary of Imperial Oil. That company handles millions and millions of dollars' worth of products. The people on the Prairies know that Imperial Oil is concerned about small markets as much as big markets. I th'nk all oil companies are. I have mentioned Imperial Oil because I know about it. Practically every oil company on the Prairies will send a service truck to a farm at almost any time to deliver any number of gallons of gas or oil that the farmer wants. The oil companies are hungry for business.

That reminds me of what happened when we had surpluses prior to 1957. The attitude of the then Minister of Trade and Commerce, Mr. Howe, was this: If customers want our produce, let them come and get it. Anybody with any experience in business knows that the customer will not come unless you entice him or invite him to come and see your product. We produce the best agricultural products in the world right here in Canada, and the minister says that we cannot sell them. I would hate to let some American salesmen in here and get hold of our products. They sell an inferior product but they get markets for their grain. American salesmen have gone into the world markets with an inferior product and taken away our customers from under our noses. This is ridiculous.

Perhaps I am finding too much fault with the minister. Presumably he is an intelligent man. He has been a member of this House for some time and dealing with our wheat problems. He knows the problems that are encountered in the selling of wheat. What excuses has he made? At one time he blamed the government's failure on the cold weather which froze the trains and did not permit the grain to be put into the correct positions. The next time he said it was a strike and once more it was impossible to get the grain into position. Similar problems have been encountered by previous governments.

Surely this government can learn its lessons. If we ought to be searching for markets, I wish the minister would say why he is not doing so. Why is he not putting his efforts forward in that direction? Surely there must be some merit in our suggestions. As I said before, if the minister supports the Prime Minister's policy of reducing the number of farmers, he is going about it in the right way. I do not know what the advantage of that action will be, Mr. Speaker: I fail to understand it.

May I refer for a few moments to the minister's remarks on introducing this bill. He said, as reported at page 5491 of *Hansard:*

> The bill before the House to amend the Prairie Grain Advance Payments Act is a further step in attempting to rationalize and improve the situation of the grains industry of this country.

I cannot understand how he could make a statement like that. He went on to say:

> Over a period of recent months, we did a significant number of things to allow the farmer to put his remarkable efficiency to better use by improving the system which faced him and over which he had no control.

He admitted that farmers have no control over the way grain is handled at present, that it is the responsibility of the government to sell the grain and that it is not living up to that responsibility. He went on to say:

> Perhaps the most notable thing done which is related to this bill was the alteration in the quota system announced for next year by the Wheat Board, which was in part also in effect this year.

I remember what he said when introducing the Lift program legislation. What that program was to do for the western farmer! What it was to do with regard to the enormous surpluses we had on hand! I am sure the minister now realizes that that program backfired. Certainly, its purpose was to reduce the production of grain and it reduced that production. But why was that done in an expanding market? Has anybody ever heard such a thing? That is hard to understand. He went on to say:

> As a result of that change in the quota system, the ancient special bias toward wheat compared with other grains has been removed in order that the farmers' decisions about which grains to grow might be more directly related to market conditions—

What market conditions was he referring to? The market conditions that he has created within Canada? Or was he talking about worldwide market conditions? If he was talking about worldwide market conditions, I would ask him to take another look at them. Either he is getting wrong advice from his advisers, reading the wrong books or acting in the wrong manner.

• (5:20 p.m.)

I ask the minister who represents western Canada to change his philosophy with regard to marketing grain to one which will be beneficial to those engaged in agriculture. Do not put these people off the farms. They are going to be necessary. One cannot pick up a paper today that does not deplore the fact that there are many starving people in this world. I don't know how we should get the food to where there is a problem, but we have the food and are capable of producing much more. This is one matter in which the minister should be interested.

Contrary to the belief of most people in Canada, there are very few subsidies paid to the agricultural industry in this country. This industry has less protection here than it has in any other country. The European Common

Market is having difficulty trying to control production. Possibly the European Market is based on the same idea that the present government has, namely, the control of the industry. I am told it is not what you know about agriculture, but who you know and whether you can get a licence. I hope it does not come to that, but I am afraid it might.

Some hon. Members: Hear, hear!

Mr. McIntosh: There will be more said about this matter in a few moments. All the legislation which this government is bringing forth on behalf of the agricultural industry points toward that type of trend—control, control, control. Canadians are asking the purpose of this. Is this participatory democracy? If so, we do not want it.

Mr. H. A. Moore (Wetaskiwin): We agree with the need for cash advances at this time, Mr. Speaker, and admit that the climate in which producers operate is far from ideal. If this were not so, there would not be any need for cash advances. I remember the good old days when the farmer's produce could be sold. When a producer is forced to accept cash advances because he has no other way of obtaining cash, he is put in a position of being in debt to the government. With these amendments, this will be done at an increased rate of interest. I am sure it is rather frightening to the producers to realize that they are becoming more and more dependent upon the government as well as more in debt. This seems to be in line with the government's take-over policy, its desire to get control of this industry and to take over the land. This is something which must be watched in the future.

When discussing farm legislation in Canada we are always at a disadvantage when we realize one fact. This was ably pointed out by my colleague, the hon. member for Battle River (Mr. Downey). The fact is that this government is niggardly in its policy of assisting agriculture in comparison with governments of other countries with which our producers must compete on the world market.

I have some interesting DBS figures respecting the grain growing provinces of Canada. If Your Honour will bear with me, I will quote the figures for the three Prairie provinces. Farm cash receipts from farming operations in Manitoba dropped from $351 million plus in 1969 to $336 million plus in 1970. In Saskatchewan, farm cash receipts dropped from $709,703,000 in 1969 to $690,996,000 in 1970. In Alberta, they dropped from $727,471,000 in 1969 to $694,104,000 in 1970. These are the total farm cash receipts for those provinces. They are very significant figures.

I would like to comment on the point made by the hon. member for Dauphin (Mr. Ritchie) concerning the regulations for any government program. I emphasize the fact that the regulations sent out to farmers with regard to the Lift program were not clearly understood. If they were clear, they were not understood. In fact, they were misunderstood to the extent that there was confusion and a resultant loss of income.

In the former legislation, specific advances of $1 a bushel for wheat, 40 cents for oats and 70 cents for barley were allowed. This is no longer the case. This bill contributes to the government's argument for having rye, rapeseed and flaxseed under the Wheat Board. I wish to read the following passage from the May 1 edition of the *Free Press Weekly:*

> Canadian-Wheat Board Minister Otto Lang put his head on the chopping block of prairie farm opinion last week by introducing a Commons amendment that could give the board marketing control of flax, rye and rapeseed.
>
> If it became law, the proposed amendment to the Wheat Board Act would give Ottawa order in council power to lump flax, rye and rapeseed together with the three grains the CWB now controls, namely wheat, barley and oats.
>
> Despite Mr. Lang's statement that no such permissive legislative provision would be implemented without "thorough discussion" between the federal government and those affected by a possible changed status of flax, rye and rapeseed, the prairie grain trade—and especially rapeseed grower groups—made their opposition crystal clear.

It is interesting to note what was said by a former member of this House, the former member for Assiniboia who was a grain farmer and quite knowledgeable on these matters. I quote from page 3403 of *Hansard* of February 15:

> If farmers themselves were making decisions about the level of initial payments, it might be defensible to suggest that they be held responsible for any consequent losses; but since the Wheat Board is not a producer-controlled board the government should continue to stand behind the initial prices they set.

Clause 7 of this bill has removed the statutory amount that the government may advance to farmers for their crops. In his speech yesterday the minister stated that listing the amount available for a cash advance would tend to encourage certain production. By not having anything listed or available, the farmer is left in the dark about what to plant this spring. It has been my experience that if you take the advice of the government through the Department of Agriculture you can be in more trouble than if you had not heard the advice in the first place.

These changes are hard on the small farmer. We might say, "What else is new?" First, there is an increased rate of interest. There is no guidance as to what to grow. As I have said, we might be better off if we did not know. It is also possible that prairie farm assistance will be withdrawn. All of this discourages farmers from becoming flexible and at the same time seems to make the powers of the government more flexible. It all seems to be aimed at the removal, even the eradication, of the small family farm in this country.

• (5:30 p.m.)

Mr. Stan Schumacher (Palliser): Mr. Speaker, as I view this piece of legislation I consider it to be part of the government's grand design to take absolute control of the agricultural industry. It is merely one part of several legislative items, the most important of which is probably Bill C-176, also before the House at the present time. There is also legislation dealing with the stabilization of incomes in the western agricultural economy, and legislation proposing the expansion of control of the Canadian Wheat Board over rye, rapeseed and flaxseed. As far as I

am concerned, none of these proposals will have the effect of aiding the western agricultural economy.

I was interested in the minister's description of this proposal as one further step in allowing the farmer to put his remarkable efficiency to better use. This appears to me to be another example of the government's perversion of words, probably the best example of which is its use of the word "reform". The classic example of this is the government's white paper containing proposals for tax reform. Most people consider a reform to be a change for the better. In my view there is nothing in the tax proposals—which are really an attempt to gouge more money out of the people—that changes things for the better.

With regard to the present proposal to allow the farmer to increase his efficiency, on a fairly close look at the legislation I can find nothing that allows the farmer to do anything, though I do find that people other than farmers are allowed to do certain things. For example, this legislation allows the government to change the present 6 per cent interest rate to a rate that is euphemistically called the appropriate prescribed rate. The people of Canada have had experience before of Liberal governments which started to fiddle around with interest rates. The Bank Act was amended during the last Parliament so as to permit an increase in interest rates from 6 per cent. A great many of us have had cause to regret this change. I cannot say that I had any responsibility for it because the change was made before I came to this Parliament, but I can assure you, Mr. Speaker, that the action taken by the former Parliament has had an adverse effect on my pocketbook.

The argument was used at that time that, although there might be a temporary increase in interest rates, competitive forces would prevail and in the long haul the economy would be better off with the freeing of the interest rate. As we all know, the tight money situation continued to prevail after the interest rate was freed and the interest rate went up. I can only look on this proposal to change the fixed rate to a varying rate as an effort by the government to increase the interest rate on loans made under this legislation, which I do not think is an appropriate thing to do at this time, particularly in this segment of the economy.

The legislation would also allow the government to decide, after an advance has been made, how the money will be repaid from deliveries, that is to say, what proportion of a delivery will have to be taken by the government in repayment of any advance. At least, that is how I interpret the legislation; if I am wrong I am sure the minister will correct me.

The legislation also allows the government to direct the farmer to deliver the kind of grain that it wants delivered. I really cannot see, as I have already said, how this legislation allows the farmer to do anything. It simply allows the government and its bureaucratic servants, who do exactly what they are told by the executive, to direct the farmer in the discharge of his occupation. It allows the government to vary the rate per bushel and the number of bushels per quota acre on which advance payments may be based. So that we do not know with certainty what will be the effect of this legislation.

This brings me to another point and it is the question of certainty. In his introductory remarks I believe the minister said that this legislation would help the farmer decide what he was going to grow. The bill provides that the decision as to the rate per bushel and the number of bushels per quota acre will be set by the Governor in Council immediately prior to the commencement of the crop year. If that is the case, I think serious consideration should be given to changing the date of the commencement of the crop year since August 1 is surely well into the growing season of any crop that is produced in western Canada.

If these rates are set during the month of July, which would be immediately before the commencement of the crop year, then seeds will long since have been put into the ground and the setting of the rate will be of no assistance whatever to the farmer in determining what he should plant in order to enable him to take advantage of this legislation. This is assuming that the legislation is in fact designed to benefit the farmer, though I doubt that it is. There is no way in which the farmer can intelligently plan a crop on the basis of an announcement that is going to be made in the month of July, a time when seeding has been completed. At the very latest, seeding is completed by the middle of June, though in most cases earlier than that.

The minister says that this legislation is another step in rationalizing and improving the grain industry. In my view it is another example of the government's perversion of words and their proper meaning. Just what has this meant in other cases? In the case of the railroads it has meant a reduction in service, and in many cases no service. In agriculture, this process of rationalization has produced a catastrophic situation that is seriously straining the strong and destroying the weak.

• (5:40 p.m.)

The rationalization program relating to agriculture also envisages a reduction in the number of elevator delivery points to which farmers can take their grain. This rationalization program has in fact resulted in a swelling of the welfare rolls in our cities and the ranks of the unemployed in general.

What about some of the steps the minister seems to be so proud of, many of which form the basis of this legislation? Quite frankly, I have not yet met one farmer in my riding who has anything good to say about this government's approach to the agricultural economy. In an effort to find out the true facts of this matter I sent out a questionnaire to every farm home in my constituency. On the basis of a 25 per cent return it disclosed the following points. The first question I asked was, "Do you feel the federal government's attitude towards rural Canada is satisfactory?" In answer to that question 6 per cent said they were satisfied and 86 per cent said they were not satisfied. During the last election the Liberal candidate in my riding received about 30 per cent of the votes. It is gratifying to see that this support has been reduced.

Dealing directly with what this government has done and is proposing to do, I asked a question regarding approval of the block system of handling grain. As a result I found that 61 per cent of the residents indicated they thought this was an improvement over the old system and only 19 per cent were of another opinion, leaving 20 per cent undecided.

The program which is causing most disappointment in my riding at the present time is Lift. The question asked was, "In your opinion was Lift a successful program?" Some 25 per cent answered yes, 67 per cent answered no and 8 per cent were undecided. The government has also taken steps in respect of what it refers to as the reform of the quota system. The question asked was, "Do you approve of the new quota system?" The response was more evenly divided in that 39 per cent said yes, 47 per cent said no and 14 per cent were undecided.

The matter of rye, flax and rapeseed is very important in relation to the legislation before us, in that it proposes to bring these grains under the provisions of this measure. The question asked was, "Do you feel rye, flax and rapeseed should be brought under the jurisdiction of the Wheat Board?" In response to this question 32 per cent said yes, 57 per cent said no and 11 per cent of the respondents were undecided.

The government has also indicated it is going to make changes in handling charges for grain with a view to increasing these charges. In response to a question, 84 per cent were opposed to this step, 9 per cent approved and 7 per cent were undecided. The stabilization program envisages the termination of payments under the Temporary Wheat Reserves Act. In response to a question in this regard, 30 per cent approved, 47 per cent disapproved and 23 per cent were undecided.

The major legislative proposal of the government is to be found in Bill C-176. This questionnaire was conducted during the month of March and I believe the figures would be somewhat different at this time. In any event, I give the government the benefit of the doubt because I am sure its position has not been improved as a result of this legislation. The next question asked was, "Are you in favour of national marketing boards administered by the government controlling production and sales?" In response, 11 per cent said yes, 84 per cent said no and 5 per cent were undecided.

Another interesting fact disclosed by this questionnaire was the attitude these people have in respect of the Canadian Wheat Board. No one used to be critical of this board. In fact, it was something of a sacred cow in western Canada. Anyone who had the temerity to criticize it was running quite a risk because it was a popular measure at one time. As a result of the administration of this government, I find that the feeling in my constituency has changed. The question asked was, "Do you feel the Canadian Wheat Board is doing a satisfactory job?" The response was 37 per cent in favour, 55 per cent opposed and 8 per cent undecided. That is a very sad commentary on the administration of this government; 55 per cent of the farmers in my riding are not satisfied with the job they are doing.

This legislation creates uncertainty. Farmers will not be aware at seeding time of possible advance payments or what grains should be grown to satisfy repayment of advances obtained. This measure does not assist farmers very much. According to the minister's remarks it is designed to discourage wheat production. I do not know how the minister can reconcile this with the government's own assessment of the situation regarding wheat. In "Mini Outlook March '71", a publication of the Department of Agriculture, economics branch, we find this statement at page 26:

> For the first six months of the 1970-71 crop year (ending January 27), Canadian exports were 192 million bushels compared with 120 for the similar period in 1969-70. Sales opportunities have improved this crop year. In addition, Canadian wheat is competing strongly on world markets and the government's expanded credit program has been facilitating sales to developing countries. Quantities needed for seed are likely to increase by 10 million bushels.

On page 27 of the same publication we find that there is a continuation of Canada's more competitive policy. It is very gratifying to find an admission in a government publication that we now have a more competitive policy. This would indicate that last year, the year before that or even the year before that we did not have a very competitive policy. We never could get the government to admit it was sitting on its butt at that time. The facts, however, certainly indicated that is what happened. In any event, it is nice to see it is admitted that we now have a more competitive policy. This document states, further:

• (5:50 p.m.)

> With the continuation of Canada's more competitive policy, exports in 1971-72 even without the special circumstances this year, should be 350 to 400 million bushels. Total wheat disposal could, therefore, average 550 million bushels a year in 1971-72 and 1972-73. There is a good chance of high yields in 1971 because of the substantial acreage of summerfallow in 1970. Thus, 20 million acres are likely to provide adequate supplies of wheat with possibly a small reduction in stocks. An acreage exceeding 20 million could result in an undesirable increase in carry-over and also a smaller quota per acre. Unless new circumstances arise, the 1972 acreage should remain the same.

I suggest the indications are that we should be doing substantially better in respect of selling our wheat. The government probably is proving by this proposal that it is still a little behind the times concerning what will be the true situation in respect of wheat, and we could find ourselves in the same position with regard to that commodity as we did with barley. As a result of the government's action last year, we are short of barley this year and are unable to meet possible sales which would do a great deal to improve the western economy. The same authority has this to say about rapeseed, at page 34:

> Rapeseed production in Canada, by November estimates, amounted to 71.3 million bushels, more than double the 1969 production of 33.4 million. At February 10, exports for the crop year were 19 million bushels compared with less than half that amount during the previous year. With Japan lifting its quota in April 1971, the prediction of last November of 35-40 million bushels seems quite a reasonable one. Prices of Canadian rapeseed have been higher than expected in late 1970 and early 1971. Vancouver cash prices in late February 1971 were about $2.95 per bushel for No. 1 rapeseed.

Mr. Speaker, the hon. member for Dauphin (Mr. Ritchie) referred to rapeseed as the cinderella crop of the western agricultural economy. Surely the foregoing quotation confirms his description. As we all know, this success has been achieved without recourse to any of the so-called steps the government has taken to improve the farmer's efficiency. I would urge the minister to reconsider this attack. I consider this legislation to be part of a concerted attack on the most healthy sector of our grain industry. We have never had to worry about quotas on rapeseed until this year, when somehow or other the farmers are having difficulty in the handling of rapeseed.

It has always been understood that because rapeseed did not come under the jurisdiction of the Canadian Wheat Board, it was not subject to quotas and could be sold on the open market. We find that a futures market was maintained on the west coast until interrupted recently, probably largely at the instance of this government. In any event, I know several farmers in my constituency who have done quite well on rapeseed. They have entered into contracts, for example, with western Canadian seed processors at Lethbridge.

The regulations issued by the Canadian Wheat Board, so far as these farmers are concerned, did not appear to hamper practically unlimited sales to these oilseed companies. In one case I am thinking about, the farmer delivered 12 bushels per acre of his rapeseed crop to the Lethbridge receiving plant. He hauled it there with his own vehicle and therefore did not interrupt the railway situation or deprive other farmers of the ability to deliver their wheat by tying up boxcars. The quota book was left at the elevator. It appeared that he was able to deliver 12 bushels to the elevator when the quota conditions permitted such delivery. So he took that step. Much to his surprise, however, and to the surprise of the elevator agent, after he finished delivering the 12 bushels to the elevator the Wheat Board representative came around and picked up his quota book at the elevator and he was without it for about three weeks. He had no prior notice that he had done anything wrong.

Since that time I have been in contact with the Canadian Wheat Board to determine under what authority they took such a step. To add insult to injury, this farmer was visited by a corporal of the RCMP and asked to make a statement. After he had had conversation with the RCMP corporal, the corporal said that he could not see how he had done anything wrong and that he did not know why he had been instructed to come to see him. In any event, I asked the Canadian Wheat Board under what authority they took this step and I have been awaiting an answer for over a month.

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

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MESSAGE FROM THE SENATE

[*Translation*]

The Acting Speaker (Mr. Richard): I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate have passed Bill S-18, an Act to implement a Supplementary Income Tax Convention between Canada and Finland, to which the concurrence of this House is desired.

[*English*]

In following this debate, as a farmer myself I was greatly encouraged to see, either due to the eloquence of hon. members or due to the subject under discussion being agriculture, that the galleries had attracted, at least for 15 minutes, a very large number of distinguished ladies who seemed to be very much interested. I am very thankful for this diversion.

At six o'clock the House adjourned, without question put, pursuant to Standing Order.

END OF VOLUME V